

**DEPARTMENT OF SOCIAL SERVICES**

744 P Street, Sacramento, CA 95814



August 29, 2005

Regulation Package #0404-02

CDSS MANUAL LETTER NO. EAS-05-03

TO: HOLDERS OF THE EAS MANUAL

Regulation Package #0404-02

Effective 8/5/05

Sections: 40-103, 40-105, 40-107, 40-125, 40-131, 40-188, 42-209, 42-211, 44-133, 44-205, 44-211, 44-313, 44-315, 44-316, 44-318, 44-350, 44-352, 44-402, 80-310, 82-824, 82-832, and 89-110

This manual letter has been posted on the Office of Regulations Development website at [http://www.dss.cahwnet.gov/ord/Eligibilit\\_617.htm](http://www.dss.cahwnet.gov/ord/Eligibilit_617.htm).

These regulations implement and make specific AB 444 (Chapter 1022, Statutes of 2002), AB 692 (Chapter 1024, Statute of 2002), and AB 1402 (Chapter 398, Statutes of 2003) which provides authority for the Quarterly Reporting/Prospective Budgeting (QR/PB) reporting system. This regulation package contains a tandem regulation format to allow for the operation of both Monthly Reporting/Retropective Budgeting (MR/RB) and QR/PB during counties' staggered implementation of Quarterly Reporting (QR) in accordance with the QR/PB Director's Declaration as specified in Assembly Bill (AB) 444 (Chapter 1022, Statutes of 2002). This format is necessary to maintain current monthly reporting (MR) regulations for those counties that are pending QR implementation and will remain in place until all counties have implemented the QR system.

In current regulations under MR/RB, CalWORKs recipients are required to report income, household composition, and eligibility circumstances on a monthly income/eligibility report. Furthermore, recipient income is budgeted on a retrospective basis using actual income from two months prior to determine the current month's CalWORKs cash grant.

In proposed regulations QR/PB will require recipients to submit an income/eligibility report once per quarter. Recipient's eligibility and cash aid will be determined for a three-month quarterly period based on information provided by the recipient in a quarterly report. Income will be budgeted on a prospective basis using income reasonably anticipated to be received during the QR Payment Quarter. Eligibility and cash aid will be "frozen" for the duration of the quarter, except mid-quarter adjustments may occur under specified circumstances. Circumstances in which eligibility and cash aid may be adjusted during the quarter include: 1) Recipient mid-quarter reports which result in an increase in cash aid; 2) Recipient mandatory mid-quarter reports which result in a decrease in cash aid or a discontinuance from aid; 3) County initiated actions which result in a decrease in cash aid or a discontinuance from aid.

These regulations were considered at the Department's public hearing held on August 28, 2004.

## FILING INSTRUCTIONS

The attached pages are to be entered in your copy of the Manual of Policies and Procedures.  
The latest prior manual letter containing EAS changes was EAS-05-02.

<u>Page(s)</u>	<u>Replace(s)</u>
46 and 46.1	Pages 46 and 46.1
54 through 58.1	Pages 54 through 58.1
77.1 through 79	Pages 77.1 through 79
96 and 97	Pages 96 and 97
122 and 123	Pages 122 and 123
172 and 173	Pages 172 and 173
413 through 415	Pages 413 through 415
424.1	Page 424.1
433 and 433.1	Pages 433 and 433.1
455 and 455.1	Pages 455 and 455.1
471 through 478	Pages 471 through 478
479.2 through 480	Pages 479.2 through 480
484.1 through 486	Pages 484.1 through 486
490 through 490.12	Pages 490 through 490.11
495 through 496.1	Pages 495 through 496.1
503 through 508	Pages 503 through 508
511 and 512	Pages 511 and 512
526 and 527	Pages 526 and 527
861 through 863.1	Pages 861 through 863.1
863.4	Page 863.4
912 through 917.2	Pages 912 through 917
928 through 930.1	Pages 928 through 930.1

Attachments

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<b>40-103</b>	<b>DEFINITIONS AND DESIGNATIONS - GENERAL (Continued)</b>	<b>40-103</b>
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.6     Inquiries -- An inquiry is a request for information or a general request which is not an application. It is usually made without the individual indicating he/she is in need. It may include a request for information from a potential applicant or any other person or agency who desires information regarding public assistance, eligibility requirements, points of agency policy, etc.

.7     Repealed by Manual Letter No. EAS-91-14, effective 10/1/91.

.8     Aid Programs

The aid programs in these regulations are defined in terms of basic program purposes as follows:

.81    Has been deleted.

.82    Repealed by Manual Letter No. EAS-86-01 (effective 1/17/86).

.83    Has been deleted.

.84    Repealed by Manual Letter No. EAS-91-14, effective 10/1/91.

.85    Medical Assistance Program -- to provide health care services on an individualized basis for recipients of aid under the assistance programs under Section .81 through .84 above and to other eligible persons thus promoting better health for those persons who are unable to pay in full for the cost of their medical care. Requirements and definitions for the California Medical Assistance Program are set forth in Medical Assistance Regulations, Title 22, California Administrative Code, Division 3.

.86    State Supplemental Program -- to provide money payments to eligible aged, blind, or disabled California residents. (See Division 46.)

.9     IEVS - Means the Income and Eligibility Verification System. (See Section 20-006.1.)

NOTE: Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code. Reference: Sections 10553, 10554, 10604, 11056, and 11265.1, Welfare and Institutions Code; and 45 CFR 206.10(a)(1)(ii).

<b>40-105</b>	<b>APPLICANT AND RECIPIENT RESPONSIBILITY (Continued)</b>	<b>40-105</b>
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(f) Exemptions

The immunization requirement does not apply if the parent(s)/caretaker relative submits:

- (1) An affidavit stating that the immunization requirement is contrary to his/her personal/religious beliefs and the reasons for his/her objection.
- (2) A written statement from a physician or health professional working under the supervision of the physician, stating that the child should not be immunized, which includes the prohibitive medical condition and the duration.

(g) Failure to Cooperate

If an applicant/recipient fails to submit timely verification of immunization of any child(ren) in the AU under the age of six (see Section 40-105.4(d)) and does not qualify for an exemption or have good cause (see Section 40-105.4(i)), the grant shall be reduced by the amount (MAP) allowed for the needs, as specified in Section 44-315.311, of the parent(s)/caretaker relative in the AU.

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(1) Immunization Penalty Computations

Examples:

- (A) An AU composed of a mother and her three children fails to submit verification of immunization and is not found to have good cause. The mother has total earned income of \$525 per month and no disability-based unearned income. The AU is nonexempt and resides in Region 2.

Grant Computation - Single Penalty:

AU size remains four, but due to the penalty, use the MAP for three.

\$ 525	Gross Earned Income
- <u>225</u>	\$225 Income Disregard
\$ 300	Remaining Earned Income
- <u>150</u>	50% Earned Income Disregard
\$ 150	Net Nonexempt Income
\$ 538	MAP for three (excluding the parent)
- <u>150</u>	Total Net Nonexempt Income
\$ 388	Aid Payment

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- (B) This same AU also fails to cooperate with the District Attorney's office in establishing paternity for child support.

Grant Computation - Double Penalty

\$ 525	Gross Earned Income
- <u>225</u>	\$225 Income Disregard
\$ <u>300</u>	Remaining Earned Income
- <u>150</u>	50% Earned Income Disregard
\$ 150	Net Nonexempt Income
\$ 538	MAP for three (excludes the parent)
- <u>150</u>	Total Net Nonexempt Income
\$ 388	Aid Payment with First Penalty Applied
- <u>97</u>	25% of Aid Payment - Second Penalty for Failure to Cooperate with DA
\$ 291	Aid Payment with Both Penalties Applied

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- (h) Section 40-105.4(h)(MR) shall become inoperative and Section 40-105.4(h)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

Restoration of Aid

- (MR) Once verification of immunization is submitted the grant is increased to reflect the needs of the parent(s)/caretaker relative effective the first of the month in which verification is received.

- (QR) Once verification of immunization is submitted the grant is increased to reflect the needs of the parent(s)/caretaker relative effective the first of the month following the month in which verification is received (see Section 44-316.331(d)(QR)).

- (i) Good Cause

The county shall determine if good cause exists for not submitting verification due to lack of reasonable access to immunization services. If the county determines that good cause exists, the applicant/recipient has an additional 30 days to submit immunization verification.

- (1) Circumstances which may constitute good cause, due to lack of reasonable access to immunization services, may include but are not limited to the following: language barriers, physical distance, illness of a parent(s)/caretaker relative, bona fide transportation problems or a lack of available appointments.

<b>40-105</b>	<b>APPLICANT AND RECIPIENT RESPONSIBILITY (Continued)</b>	<b>40-105</b>
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(j) Documentation

The county shall document verification of immunization, determination of good cause or any exemption.

.5 School Attendance Requirements

- (a) All children in the AU for whom school attendance is compulsory, i.e., ages 6 through 17, must attend school "regularly" as defined by the county.

(b) Verification

Recipients shall cooperate in providing routinely available documentation of school attendance of all applicable school-age children in the AU when requested by the county. Applicants are not required to submit verification of school attendance prior to being granted cash aid.

(c) Exemptions

All children in the AU for whom school attendance is compulsory must regularly attend school with the following exceptions:

- (1) A pregnant or parenting teen eligible for Cal-Learn. See Section 42-763.1.
- (2) A child subject to participating in a county school attendance demonstration projects in Merced or San Diego counties.

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- (3) See Section 42-719 regarding welfare-to-work plans for children 16 through 17 years of age not regularly attending school and not exempted under Section 40-105.5(c).

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(d) Irregular Attendance Penalty

If the county determines that good cause does not exist and the child is not exempted under Section 40-105.5(c)(2), failure of a child in the AU, for whom school attendance is compulsory, to regularly attend school pursuant to Section 40-105.5(a), shall result in a reduction in the grant by an amount equal to the following:

- (1) The needs of the parent(s)/caretaker relative in the AU if the child(ren) is under the age of 16, or
- (2) The child's needs if the child(ren) is age 16 or older.

40-105	APPLICANT AND RECIPIENT RESPONSIBILITY (Continued)	40-105
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(e) Failure to Cooperate

Refusal or failure of a recipient to cooperate in providing documentation when requested shall result in aid being reduced in accordance with Section 40-105.5(b), unless the county determines good cause exists.

(f) Good Cause

The county shall determine what constitutes good cause for not attending school "regularly" and failure to cooperate.

(g) Section 40-105.5(g)(MR) shall become inoperative and Section 40-105.5(g)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

Restoration of Aid

(MR) The needs of the parent(s)/caretaker relative or child(ren) shall be restored effective the first of the month in which verification of regular school attendance is received.

(QR) The needs of the parent(s)/caretaker relative or child(ren) shall be restored effective the first of the month following the month in which verification of regular school attendance is received (See Section 44-316.331(d)(QR)).

NOTE: Authority cited: Sections 10553, 10554, 10604, 11209, 11253.5, 11265.2, 11265.3, 11265.8, 11266, 11268, 11450.5, and 11486, Welfare and Institutions Code. Reference: Sections 10553, 10554, 10604, 11209, 11253.5, 11265.3, 11265.8, 11266, 11268, and 11486, Welfare and Institutions Code; Section 48200, Education Code; 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808; 45 CFR 205.52(a)(1) and (2); 45 CFR 233.10(a)(1)(iv) and 235.112(b); 7 CFR 273.16(b); 42 U.S.C. 402(a)(6) and 616(b); and Section 301(a)(1)(A) and (B) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193); California's Temporary Assistance for Needy Families State Plan dated October 9, 1996 and effective November 26, 1996.

40-107	COUNTY RESPONSIBILITY	40-107
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(a) Assisting the Applicant

The county is responsible for assisting applicants or recipients in understanding their rights and responsibilities in relation to application for aid; for evaluating the capacity of the applicants or recipients to discharge their responsibilities as set forth in Section 40-105; for assisting them as needed in establishing their eligibility and helping them to realize the maximum personal independence of which they are capable, including self-care and self-maintenance.



<b>40-107</b>	<b>COUNTY RESPONSIBILITY (Continued)</b>	<b>40-107</b>
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- (1) The applicant shall be informed at the time of application that the law requires furnishing an SSN (Section 40-105) and assignment of accrued support rights (Section 43-106) as conditions of eligibility. The applicant/recipient shall also be informed, in writing, at the time of application or redetermination, that the law requires cooperation in establishing paternity and securing support rights (Section 43-201) as conditions of eligibility.
    - (A) The county shall notify the applicant or recipient by means of the prescribed form of the right to claim good cause as an exception to the cooperation requirements.
    - (B) The county shall notify the applicant or recipient that upon request of the custodial parent, the county department shall provide information to that custodial parent on the amount of child and spousal support paid to the county by the absent parent. (See Section 43-201.3.)
  - (2) All forms pertaining to (a)(1) and (a)(1)(A) above shall be available for the applicant to complete at the initial interview when the CA 2.1 is completed, but need not be completed prior to granting emergency aid.
  - (3) Section 40-107(a)(3)(MR) and Handbook Section 40-107(a)(3)(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) The applicant shall be informed of the availability of reduced income supplemental payments and of the necessity that an assistance unit request the payments in order for them to be provided.

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- (MR) (See Section 44-400 regarding reduced income supplemental payments.)

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- (4) The CWD shall provide the individual, in writing and orally as necessary, a description of the 60-month time limit requirements, including the exemptions from the time limit, as provided in Sections 42-302.11 and 42-302.21 and the process by which recipients can claim the exemptions, as provided in MPP Section 42-302.3. The description of the 60-month time limit requirements shall be provided at the time an individual applies for aid, at the time a recipient's eligibility for aid is redetermined, and any other time a notice of action establishing time on aid pursuant to this section is provided. In addition, counties are required to provide information on the number of months an applicant, recipient, or former recipient received aid as follows:
  - (A) The applicant shall be informed, by notice of action, at the time that eligibility for aid is authorized, if the applicant received aid in California or any other state(s) on or after January 1, 1998. The notice shall include:
    1. The number of months the individual received aid as reported on the most recent notice of action, if any.

<b>40-107</b>	<b>COUNTY RESPONSIBILITY (Continued)</b>	<b>40-107</b>
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2. The cumulative number of countable months that the individual received aid and the specific exempt months since the last notice of action, or the beginning of aid if there has been no prior notice of action.

3. The remaining number of months that the individual may be eligible to receive aid. (See MPP Section 42-302.2 for definition of countable months.)

(B) The recipient shall be informed, by a notice of action, at redetermination of aid. The notice shall include information as required in MPP Section 40-107(a)(4)(A).

(C) The recipient shall be informed, in writing, at the 54<sup>th</sup> countable month on aid by using one of the following two methods:

1. A notice of action which meets the requirements in MPP Section 42-107(a)(4)(C)1.

2. A notice that informs the recipient of the cumulative number of countable months that the recipient received aid and the remaining number of months that the recipient may be eligible to receive aid. (See MPP Section 42-302.2 for definition of countable months.)

(D) Each recipient shall be informed by a notice of action provided in one month during the period of the recipient's 54th through 58th countable months on aid.

1. A notice of action pursuant to MPP Section 40-107(a)(4)(A), (a)(4)(B), or (a)(4)(C)1. satisfies this requirement.

2. Once the notice of action required in MPP Section 40-107(a)(4)(D) is sent, no further notice of action, pursuant to MPP Sections 40-107(a)(4)(A) through (a)(4)(D), shall be required until a total of six exempt months have passed.

(E) No notice pursuant to MPP Sections 40-107(a)(4)(A) through (a)(4)(F) need be sent under the following circumstances:

1. Within 3 calendar months from a previous notice of action, pursuant to MPP Sections 40-107(a)(4)(A) through 40-107(a)(4)(D), was provided.

2. Once the exemption for individuals who are 60 years of age or older, as provided in MPP Section 40-302.21(e), is established.

40-125	REAPPLICATIONS, RESTORATIONS, AND COUNTY OF RESPONSIBILITY (Continued)	40-125
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.93 If a former recipient of aid requests restoration within the calendar month following the effective date of discontinuance, the county shall not require him/her to furnish any documentation previously provided to the county except under the following conditions:

.931 The documentation is missing from the case record and

.932 The documentation affects eligibility or amount of aid for the month of restoration.

.94 Section 40-125.94(MR) shall become inoperative and Section 40-125.94(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Restorations in the Calendar Month Following a CA 7 Related Discontinuance

(QR) Restorations in the Calendar Month Following a QR 7 Related Discontinuance

.941 Section 40-125.941(MR) shall become inoperative and Section 40-125.941(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) When a recipient who has been discontinued for failure to submit a complete CA 7 requests restoration of AFDC during the calendar month following discontinuance, but after the first working day, the CWD shall determine if the recipient had good cause (Section 40-181.23(MR)) for failure to submit a complete report.

(QR) When a recipient who has been discontinued for failure to submit a complete QR 7 requests restoration of CalWORKs during the calendar month following discontinuance, but after the first working day of the next QR Payment Quarter, the county shall determine if the recipient had good cause (Section 40-181.23(QR)) for failure to submit a complete report.

.942 Section 40-125.942(MR) shall become inoperative and Section 40-125.942(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) If the recipient had good cause for failure to submit a complete report, the discontinuance action shall be rescinded, eligibility redetermined and the grant amount computed based on information contained in the complete CA 7 submitted by the recipient.

<b>40-125</b>	<b>REAPPLICATIONS, RESTORATIONS, AND COUNTY OF RESPONSIBILITY (Continued)</b>	<b>40-125</b>
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- (QR) If the recipient had good cause for failure to submit a complete report, the discontinuance action shall be rescinded, eligibility redetermined and the grant amount computed based on information contained on the complete QR 7 submitted by the recipient.
- .943 If the recipient is not found to have good cause, the CWD shall redetermine eligibility in accordance with Sections 40-125.91 and .92 (Requests for Restorations of Aid).
- (QR) .95 Section 40-125.95(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (QR) Restorations Based on Excess Property
- (QR) When a former recipient requests restoration of cash aid after a discontinuance due to excess property, the county shall verify that the AU did not transfer assets for less than fair market value (see Section 42-221).
- (QR) .951 If an AU requests restoration of cash aid before the effective date of discontinuance, the county shall evaluate the property spend down and if the AU is verified property eligible, the county shall rescind the discontinuance.
- | (QR) .952 If a former recipient requests restoration after the effective date of discontinuance, the county shall determine the AU's eligibility and grant amount based on the information provided at the time of request for restoration. Beginning date of aid rules will apply (see Section 44-317). The AU may be assigned to the previous QR cycle or a new QR cycle based on the date cash aid is restored.
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- (QR) .96 Section 40-125.96(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (QR) Restorations Based on Excess Income
- (QR) When an AU is discontinued due to excess income, the recipient may request restoration of cash aid if the AU experiences a loss or reduction of reasonably anticipated income that was used to determine financial ineligibility.
- (QR) .961 If an AU requests restoration of cash aid before the effective date of discontinuance, the county shall determine income eligibility and rescind the discontinuance if the AU is found eligible.

<b>40-125</b>	<b>REAPPLICATIONS, RESTORATIONS, AND COUNTY OF RESPONSIBILITY (Continued)</b>	<b>40-125</b>
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| <p>(QR) .962</p> | <p>If a former recipient requests restoration after the effective date of discontinuance, the county shall determine the AU's eligibility and grant amount based on the information provided at the time of request for restoration. Beginning date of aid rules will apply (see Section 44-317). The AU may be assigned to the previous QR cycle or a new QR cycle based on the date cash aid is restored.</p> |
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NOTE: Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code. Reference: 45 CFR 233.60, Section 3510 (October 1961), Federal Handbook of Public Assistance Administration; Section 11349, Government Code; Sections 10553, 10554, 10604, 11008, 11023.5, 11056, 11102, 11265.1, 11265.2, 11450.12, and 11451.5, Welfare and Institutions Code; and ACF-AT-94-5.

<b>40-126</b>	<b>PROCESSING APPLICATIONS</b>	<b>40-126</b>
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| <p>.1 Promptness Requirement</p>                                  | <p>The determination of eligibility, including the gathering of any necessary evidence, shall be completed promptly. One of the following must be mailed within 45 calendar days starting with the first day after the filing of the application: an aid payment, a notice of denial, or a notice that the applicant is eligible.</p>   |
| <p>.11 Inability to Complete the Determination of Eligibility</p> | <p>Inability to complete the determination of eligibility within the 45-day period shall not be a basis for denying the application unless the delay is caused by the refusal of the applicant to participate in the gathering of evidence in accordance with Section 40-157. (See Section 40-171.11.) The specified time limit may be exceeded in situations where completion of the determination of eligibility is delayed because of circumstances beyond the control of the agency, in which instances the case record shows the cause for delay. These instances include:</p> |
| <p>.111</p>   | <p>Inability on the part of the recipient to provide necessary clarification.</p>   |

40-126 (Cont.)		RECEPTION AND APPLICATION GENERAL	Regulations
40-126	PROCESSING APPLICATIONS (Continued)		40-126
	.112	Failure or delay on the part of an examining physician to provide all needed information.	
	.113	Application is made prior to the date on which the applicant meets the eligibility requirements and the 45-day period terminates before the applicant meets such requirements. (See Section 40-171 regarding application held pending eligibility.)	
	.2	(Reserved)	
.3	Requirements for Obtaining Evidence		
	.31 Require Only Evidence of Eligibility	The county shall require only evidence necessary to determine past or present eligibility for the amount or delivery of aid.	
	.32 Notice of Required Evidence	Within ten calendar days of application, the county shall provide written notice to the applicant of the required evidence and examples of alternative evidence, if any, to determine eligibility.	
	.321	The ten-day requirement shall be waived if the applicant fails to attend the scheduled interview or if the applicant requests that the interview be delayed beyond ten calendar days following application.	
	.33 Assist the Applicant in Obtaining Evidence		
	.331 Good Faith Effort	The county shall assist the applicant in obtaining evidence of eligibility from a third party when the county has determined that the applicant has made a good faith effort to obtain the evidence and the third party fails or refuses to provide the evidence.	
	(a)	A "good faith effort" means that the applicant has attempted to comply within the limits of his/her resources.	

<b>40-129</b>	<b>IMMEDIATE NEED (Continued)</b>	<b>40-129</b>
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- .912 The 15-working-day time frame shall apply to an Immediate Need payment request that was denied because the emergency situation was a lack of housing and the need was met by the issuance of a homeless assistance payment.
- .913 When the 15-working-day time frame cannot be met, the eligibility verification process shall continue.
- .92 If verification of eligibility is completed, and the applicant determined eligible, the county shall compute the aid payment in accordance with the beginning date of aid rules at MPP 44-317.13.
- .93 The amount of aid payment shall be the grant amount less any Immediate Need payment the county issued for that month.
- .94 The county shall issue the payment as soon as administratively possible.
- .95 When an Immediate Need payment has been issued, and the applicant family is determined to be ineligible for AFDC benefits, the application shall be denied.

NOTE: Authority cited: Sections 10553, 10554, and 11209, Welfare and Institutions Code. Reference: Sections 11056, 11266, and 11270, Welfare and Institutions Code; and 45 CFR 205.52, 206.10 and 233.10(a)(1)(iv).

<b>40-131</b>	<b>INTERVIEW REQUIREMENT</b>	<b>40-131</b>
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- .1 Interview Required Prior to Granting Aid
  - .11 A face-to-face interview with the applicant is required prior to the granting of aid. For the home visit requirement in AFDC, see Section 40-161.
  - .12 For any applicant who chooses to apply for both AFDC and food stamps, as specified in Section 40-107(a)(5)(B), the CWD shall conduct a single interview for both programs. AFDC applicants shall not be required to see a different eligibility worker or otherwise be subjected to two interview requirements to obtain the benefits of both programs.

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- .121 Following the single interview, the application may be processed by separate workers to determine the eligibility and benefit levels for food stamps and AFDC.

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**40-131 INTERVIEW REQUIREMENT (Continued)****40-131****.2 Inability of Applicant to Participate in Interview**

When the applicant's appropriate Statement of Facts is to be completed on his/her behalf by a guardian, conservator, or other person as provided in Section 40-128, the application interview must be with such guardian, conservator, or other person and also with the applicant unless the applicant is unable to participate because of his/her physical or mental condition or is a child in foster care. The applicant's inability to participate in the interview must be determined by the county through personal contact with the applicant. Such personal contact is required before aid is authorized.

**.3 Content of Application Interview**

The application interview shall include discussion of the following as pertinent:

- (a) The meaning of the eligibility requirements for both cash grant and medical assistance.
- (b) The applicant's responsibility for reporting all facts and for notifying the county immediately of all changes of circumstances material to a correct determination of eligibility and grant.
- (c) The joint responsibility which the county and the applicant have for exploring all the facts concerning eligibility, needs and income, and the circumstances under which the applicant will be held responsible for presenting records or documents in his possession to support his statements.

This includes the circumstances under which the applicant will be asked to secure statements of their earnings and deductions from their employers and to report both to the county.

- (d) The confidential nature of all information disclosed to the CWD including circumstances under which information may be released to law enforcement officials. See Section 19-004.4.
- (e) The kinds of evidence which may be needed to establish eligibility. (See Section 40-157.)
- (f) The fact that an investigation may be undertaken with the full knowledge and consent of the applicant.
- (g) The purpose and provisions of appropriate public social service programs. (See Services Regulations.)
- (h) The availability of appropriate services and resources within the agency, including family planning (See Section 40-107(f)(2)).
- (i) The availability of assistance or service under some other program either public or private if the needed assistance or service cannot be met by the county department.



40-188	TRANSFER PROCEDURE (Continued)	40-188
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| .12  | Inform Recipient               | Inform the recipient in writing of his/her responsibility to immediately apply for a redetermination of eligibility in the second county to avoid a break in aid.   |
| .121 | Foster Care                    | For children receiving AFDC-FC, where there is a legal guardian for the child, the first county shall inform the legal guardian in writing of his/her responsibility to apply for a redetermination of eligibility in the second county.  |
| .13  | Provide Documentation          | Provide the second county within seven working days from the date that the first county notifies the second county of a case transfer (per Section 40-188.11), with copies of the most recent:  |
| .131 | CalWORKs                       | CA 1/SAWS 1 (Application for Cash Aid, Food Stamps and/or Medical Assistance).  |
| .132 | CalWORKs                       | Welfare-to-Work plan (See Section 42-711.6).  |
| .133 | CalWORKs-Incap                 | Medical verification of incapacity.   |
| .134 | Exempt AU Status               | Verification of the AU's MAP exempt status.   |
| .135 | Foster Care                    | SAWS 1; FC 2/JA 2/KG2; SOC 158A; Birth Certificate/Alien Status; Social Security Number, FC 3/FC 3A; Voluntary Placement Agreement, Legal Guardianship Papers, or Court Order which establishes the authority for placement; Independent Living Plan; evidence supporting federal and/or state eligibility; and any other information necessary to determine eligibility. |
| .136 | Maximum Family Grant Informing | Maximum Family Grant (MFG) informing notice or other documentation verifying that MFG informing requirements have been met (see Section 44-314).  |

40-188	TRANSFER PROCEDURE (Continued)	40-188
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|------|---------------------------------|--|
| .137 | AU with Children<br>Under Age 6 | Verification of age-appropriate immunizations pursuant to Section 40-105.4(d), which the county has determined acceptable.   |
| .138 |                                 | Copies of any documents supporting the eligibility determination made by the first county when requested by the second county.   |
| .139 |                                 | Overpayment repayment record for overpayment(s) that will not be repaid before the end of the transfer period and will continue to be recouped by the second county through grant adjustment.  |
| .14  | Determine Eligibility           | Section 40-188.14(MR) shall become inoperative and Section 40-188.14(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's Declaration.  |
|      | (MR)                            | Determine continuing eligibility and amount of cash aid from the Monthly Eligibility Report due during the transfer period.  |
|      | (QR)                            | Determine continuing eligibility and amount of cash aid from the most recent Quarterly Eligibility Report due during the transfer period. Once eligibility is determined, cash aid shall continue until the end of the QR Payment Quarter in which the transfer period ends. |
| .15  | Inform                          | Inform the second county of any changes in eligibility or payment level and send a copy of any resulting notice of action.   |
| .16  | Discontinue                     | Discontinue responsibility for the provision of aid at the end of the transfer period.   |
| .17  | Foster Care                     | Obtain notification, written or via electronic data transfer, from the second county of the receipt and disposition of the transfer.   |

<b>42-207</b>	<b>PROPERTY WHICH MAY BE RETAINED BY AN APPLICANT</b>	<b>42-207</b>
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- .1 An applicant or recipient AU may retain countable resources in an amount equal to the amount allowed in the Food Stamp regulations at Manual of Policies and Procedures Section 63-1101. The value of real and personal property including resources not excluded elsewhere by regulations, owned by a CalWORKs FG/U family shall not exceed the Food Stamp resource limit. If the limit is exceeded, the family or child is ineligible.

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- .2 Food Stamp regulations at Manual of Policies and Procedures Section 63-1101.1 allows retention of \$3,000 for an AU which includes at least one member aged 60 or older or a disabled member, and \$2,000 for all other AUs. These limits may change in accordance with changes in Food Stamp resource limits.

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NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 10553, 10554, 11155, 11155.2, and 11257, Welfare and Institutions Code; and 7 U.S.C. 2014(g)(1).

<b>42-209</b>	<b>DIFFERENTIATION OF PROPERTY AND INCOME</b>	<b>42-209</b>
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- .1 Some payments may be considered property, income, or a combination of both. For the differentiation of such payments, see Section 44-105.
- .2 Section 42-209.2(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- | (QR) Under QR/PB, nonrecurring lump sum payments, which are not recurring regular income and usually nonrecurring in regard to amount and/or source, shall be treated as property in the month of receipt and any subsequent months.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11265.1, 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

42-211	PROPERTY ITEMS TO BE INCLUDED IN EVALUATING PROPERTY WHICH MAY BE RETAINED	42-211
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.1 Real Property to Be Included

.11 In addition to the items included in the definition of real property in Section 42-203.1, the following are to be evaluated as real property:

- a. Cemetery property held for profit.
- b. Stocks in a water company not appurtenant to the land in furnishing water for agricultural purposes.
- c. The items defined in this section which are owned (see Section 42-203) by an applicant or recipient are subject to the limits set forth in Section 42-207, unless specifically excluded by Section 42-213.1.

.12 Real property owned by an applicant or recipient includes real property which:

- a. secures any of his debts.
- b. is being purchased by him under a contract of sale, or mortgage and/or deed of trust.
- c. is being sold by him under contract of sale, but no contract has actually been signed.
- d. is being held by him with retention of life estate.
- e. is held in trust for him and is available to him for disposition or use.
- f. is held for him in an undistributed estate and is available for his use prior to distribution.
- g. is being sold by him and is held in escrow.

.2 Personal Property to Be Included: The county shall determine personal property and vehicles to be included in evaluating property which may be retained in accordance with methods established under the Food Stamp regulations at Manual of Policies and Procedures Sections 63-501.1 and .2).

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Section 11155 (Ch. 270, Stats. of 1997), Welfare and Institutions Code.

44-133	TREATMENT OF INCOME -- CALWORKS (Continued)	44-133
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**HANDBOOK CONTINUES**

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Grant Computation

\$ 839	Region 1, Nonexempt Family MAP for Four
<u>- 272</u>	Total Net Nonexempt Income
\$ 567	Potential Grant
\$ 568	MAP for AU of Two (includes mother and citizen child)
\$ 567	Aid Payment is the Lesser of the Potential Grant or MAP for the AU

(MR) Example 3: Family with Ineligible Alien Members and Stepparent with Income and Excluded Dependents

Recipient mother receives aid for herself and one child. The mother has \$600 gross earnings. Also living in the home is: 1) the ineligible alien spouse of the aided parent; 2) the aided mother's ineligible alien child in common with no deprivation; 3) the aided mother's citizen child in common who has no deprivation; and 4) a separate ineligible alien child of the spouse. The spouse has \$375 earned income. The family is nonexempt and lives in Region 1.

Eligibility/Grant Computation

Step 1	\$975	Family's Gross Earned Income
	<u>-225</u>	\$225 Income Disregard
	\$750	Subtotal
	<u>-375</u>	50% Earned Income Disregard
	\$375	Net Earned Income
	\$375	Total Family Net Nonexempt Income
Step 2	\$931	Family MAP for Six (All excluded dependents of the stepparent are included, regardless of deprivation since the stepparent's income is used.)
	<u>-375</u>	Total Family Net Nonexempt Income
	\$556	Potential Grant
Step 3	\$493	AU MAP for Two
	\$556	Potential Grant
	\$493	Aid Payment (Lesser of AU MAP or Potential Grant)

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(QR) Example 3: Family with Ineligible Non-citizen AU Members and Stepparent with Income and Excluded Dependents

Recipient mother receives aid for herself and one child. The mother has earnings of \$600 per month that is reasonably anticipated to continue at the same amount during the QR Payment Quarter. Also living in the home are: 1) the ineligible non-citizen spouse of the aided parent; 2) the aided mother's ineligible non-citizen child in common with no deprivation; 3) the aided mother's citizen child in common who has no deprivation; and 4) a separate ineligible non-citizen child of the spouse. The spouse has \$375 per month earned income that is reasonably anticipated to continue at the same level during the QR Payment Quarter. The family is nonexempt and lives in Region 1.

Eligibility/Grant Computation

Step 1	\$ 975	Family's Monthly Earned Income	
	- 225	\$225 Income Disregard	
	\$ 750	Subtotal	
	- 375	50% Earned Income Disregard	
	\$ 375	Net Earned Income	
	\$ 375	Total Family Net Nonexempt Income	
Step 2	\$1,072	Family MAP for Six	(All excluded dependents of the stepparent are included, regardless of deprivation since the stepparent's income is used.)
	- 375	Total Family Net Nonexempt Income	
	\$ 697	Potential Grant	
Step 3	\$568	AU MAP for Two	
	\$697	Potential Grant	
	\$568	Aid Payment (lesser of AU MAP or potential grant)	

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**HANDBOOK ENDS HERE**

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<b>44-133</b>	<b>TREATMENT OF INCOME -- CALWORKS (Continued)</b>	<b>44-133</b>
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- .55 When an excluded family member whose needs must be considered shares the same familial relationship with more than one AU and the members of the AUs live in the same home, the parents shall determine in which AU the needs of the non-AU family member shall be included.

44-133 (Cont.)	STANDARDS OF ASSISTANCE INCOME	Regulations
44-133	TREATMENT OF INCOME -- CALWORKS (Continued)	44-133

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Example:

A mother with one child (AU #1) has an ineligible alien child in common with the unmarried father who receives aid for his separate child (AU #2). The ineligible alien child has deprivation. Mother has earned income and the father who is the principal earner is unemployed and receives UIB unearned income. The parents shall decide in which AU to include the ineligible alien common child's needs.

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- .6 Income of a Nonneedy Caretaker Relative Other than the Parent
  - .61 The amount by which a nonneedy relative, other than a parent with whom the child lives, is able and willing to meet the child's needs is income to the Assistance Unit.
- .7 Income in Cases Where a Noncitizen Has Been Sponsored for Entry into the United States
  - .71 When a noncitizen is sponsored by an individual as defined in Section 43-119.2 the income of his/her sponsor who is not receiving cash aid, SSI or other public cash assistance payments (such as General Assistance) and the income of the sponsor's spouse who lives with the sponsor and who is not receiving such public cash assistance payments shall be deemed to be the sponsored noncitizen's income. This income is determined as follows:
    - .711 Determine the total amount of unearned income of the sponsor and his/her spouse.
    - .712 Determine the total amount of income received by the sponsor and his/her spouse, such as wages or salary, or as net earnings from self-employment. See Section 44-113.212.
    - .713 If the sponsor is the sponsor of more than one noncitizen, divide the total gross income by the total number of sponsored noncitizens who are applying for or receiving cash aid. This amount shall be deemed to be the income of each applicant or recipient who is a sponsored noncitizen.
    - .714 When the sponsored noncitizen is not included in the AU (see Section 82-832), the portion of his/her income, which has been deemed from the sponsor, shall not be used in determining his/her contribution to the AU unless such income is actually available to the AU.



<b>44-205</b>	<b>ESTABLISHING THE AU (Continued)</b>	<b>44-205</b>
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.122 The father of the unborn when he is in the home at the time application is made and through the month of birth. See Section 82-832.13.

(a) Section 44-205.122(a)(MR) shall become inoperative and Section 44-205.122(a)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) The unaided father shall be added to the assistance unit effective the date the father meets all eligibility requirements, on or after the date the child is born.

(QR) The unaided father shall be added to the AU effective the first of the month following the month in which the birth was reported if adding him results in an increase to cash aid and all conditions of eligibility have been met and verification has been provided. If adding him results in a decrease, the father shall be added to the AU in the following quarter, if all conditions of eligibility have been met and verification provided, pursuant to Section 44-318.16(QR).

.2 Renumbered by Manual Letter No. EAS-91-14, effective 10/1/91.

.3 Renumbered by Manual Letter No. EAS-91-14, effective 10/1/91.

.4 Renumbered by Manual Letter No. EAS-91-14, effective 10/1/91.

.5 Renumbered by Manual Letter No. EAS-91-14, effective 10/1/91.

.6 Renumbered by Manual Letter No. EAS-04-07, effective 7/1/04.

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<b>44-211</b>	<b>SPECIAL NEEDS IN CALWORKS</b>	<b>44-211</b>
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.1 General

.11 Section 44-211.11(MR) shall become inoperative and Section 44-211.11(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) A special need is a need not common to a majority of recipients for certain goods or services which are essential for their support. The county is responsible for assisting the applicant or recipient in identifying any special needs which he/she may have. In order to meet this responsibility, the county shall give the applicant or recipient a clear explanation of the types of special need allowances which are available, and of the procedure for securing payment for those needs.

(QR) A special need is a need not common to a majority of recipients for certain goods or services which are essential for their support. The county is responsible for assisting the applicant or recipient in identifying any special needs which he/she may have. In order to meet this responsibility, the county shall give the applicant or recipient a clear explanation of the types of special need allowances which are available, and of the procedure for securing payment for those needs. See Section 44-316.312(d)(QR).

.12 Repealed by Manual Letter 83-27, 5/5/83.

.13 Before a payment is made which includes a special need allowance, evidence is required to establish:

.131 That the conditions set forth below under which the need may be allowed are met,

.132 the total cost of the need and the payment plan,

.133 the proportion of the cost which should be borne by the recipient if the need is shared by others in the household,

.134 the period over which the need will continue.

**44-211 SPECIAL NEEDS IN CALWORKS (Continued)****44-211****.2 Recurring Special Needs**

Section 44-211.2(MR) shall become inoperative and Section 44-211.2(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) A recurring special need is a special need for one of the items set forth below which results in added cost to the family and which is expected to occur during two or more months in a calendar year.

(MR) The allowance for a recurring special need cannot exceed the actual increase in costs to the family as a result of the special need. Actual costs must be verified monthly on the CA 7 except that if special need allowance guidelines established below are utilized, the county may authorize payment at the rate indicated without verification of actual cost. However, the special need must be resubstantiated at least annually upon redetermination of eligibility and may be required more often considering the type of need and potential for change.

(MR) The total allowance which is available for each FBU per month for all recurring special needs shall not exceed the amount resulting from multiplying \$10 by the number of persons in the FBU.

(QR) A recurring special need is a special need for one of the items set forth below which results in added cost to the family and which is expected to occur during two or more months in a calendar year.

(QR) The allowance for a recurring special need cannot exceed the actual increase in costs to the family as a result of the special need. Actual costs must be verified quarterly on the QR 7 except that if special need allowance guidelines established below are utilized, the county may authorize payment at the rate indicated without verification of actual cost. However, the special need must be resubstantiated at least annually upon redetermination of eligibility and may be required more often considering the type of need and potential for change.

(QR) The total allowance which is available for each AU per month for all recurring special needs shall not exceed the amount resulting from multiplying \$10 by the number of persons in the AU.

<b>44-211</b>	<b>SPECIAL NEEDS IN CALWORKS (Continued)</b>	<b>44-211</b>
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.63 Eligible Applicants

.631 Section 44-211.631(MR) shall become inoperative and Section 44-211.631(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) A pregnant woman with no eligible children who has applied for CalWORKs, is in her third trimester, and is eligible to receive CalWORKs shall be entitled to receive the pregnancy special need payment from the date of application through the month of birth.

(QR) A pregnant woman with no eligible children who has applied for CalWORKs, is in her third trimester, and is eligible to receive CalWORKs shall be entitled to receive the pregnancy special need payment from the date of application through the end of the quarter in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-quarter, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Sections 44-316.312(d)(QR) and 44-318.15(QR)).

.632 Section 44-211.632(MR) shall become inoperative and Section 44-211.632(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) A pregnant teen with no other eligible children in an AU of one who is under the age of 19, has not obtained a high school diploma or its equivalent and is otherwise eligible to receive CalWORKs, shall receive the pregnancy special need payment from the date of application through the month of birth.

(QR) A pregnant teen with no other eligible children in an AU of one who is under the age of 19, has not obtained a high school diploma or its equivalent and is otherwise eligible to receive CalWORKs, shall receive the pregnancy special need payment from the date of application through the end of the quarter in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-quarter, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.314(QR)).

.633 Section 44-211.633(MR) shall become inoperative and Section 44-211.633(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

<b>44-211</b>	<b>SPECIAL NEEDS IN CALWORKS (Continued)</b>	<b>44-211</b>
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- (MR) A pregnant woman who has applied for CalWORKs as part of an assistance unit with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the month of birth.
- (QR) A pregnant woman who has applied for CalWORKs as part of an AU with other eligible persons or was the caretaker of a person in accordance with Section 82-820.22 and who is eligible shall be entitled to receive the pregnancy special need payment from the date of application through the end of the quarter in which the child is expected to be born once required verification has been provided. If the birth of the child is voluntarily reported mid-quarter, the pregnancy special need payment shall be discontinued at the end of the month prior to the month in which the newborn is added into the AU (see Section 44-316.314(QR)).

.64 Eligible Recipients

- .641 Section 44-211.641(MR) shall become inoperative and Section 44-211.641(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) The pregnancy special need payment for a pregnant woman who is receiving CalWORKs in an assistance unit with eligible persons shall be granted from the first of the month in which the county received the medical verification through the month of birth.
- (QR) The pregnancy special need payment for a pregnant woman who is receiving CalWORKs in an AU with eligible persons shall be granted from the month of the request continuing through the end of the quarter in which the child is expected to be born or the end of the month prior to the newborn being added to the AU, pursuant to Section 44-318.15(QR), once required verification has been provided.
- .642 Section 44-211.642(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (QR) The recipient is only required to verify pregnancy initially (when the pregnancy is reported) and when the pregnancy continues beyond the originally estimated date of birth.

44-313	BUDGETING METHODS FOR AFDC-FG/U (Continued)	44-313
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(QR) Prospective budgeting is the method of computing an aid payment for a QR Payment Quarter using income that is reasonably anticipated to be received in that quarter (see Section 44-315.31(QR)) except for those mid-quarter changes where actual income is used as specified in Section 44-316.311(QR).

.111 Section 44-313.111(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(QR) Income from the QR Data Month, anticipated changes in income from the QR 7 and mid-quarter income changes as specified in Section 44-316 shall be considered when determining eligibility and cash aid for a QR Payment Quarter. Documentation shall be entered in the case that explains how income was projected in determining cash aid calculations. Case narrative entries shall include, but are not limited to, the following:

(a) Income the recipient reports that he/she expects to receive in the QR Payment Quarter.

(b) Whether reasonably anticipated income will be different than income that the recipient reported receiving for the QR Data Month as reported on the QR 7.

(c) Documentation of the reasons for not accepting the recipient's reasonable anticipated income if the information is questionable.

(d) Other information used to determine what income will be used in the cash aid calculations (verifications, employers' statements, case history, etc.) if the recipient's reasonable anticipated income is not used.

.12 Prospective budgeting shall be used to compute:

.121 Section 44-313.121(MR) shall become inoperative and Section 44-313.121(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) The grant for the first and second months that AFDC is granted following a new application or reapplication, see Sections 40-103.41 and .43.

(MR) Example:

(MR) If the first month of aid is October, the aid payments for October and November are computed using estimates of income reasonably expected to be received in October and November.

(QR) The CalWORKs grant for each month in a QR Payment Quarter.

<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U (Continued)</b>	<b>44-313</b>
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- .122 Section 44-313.122(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) The grant for the first and second payment months of AFDC when aid is restored (see Section 40-103.42) following a break in aid of one calendar month or more.
- .123 Section 44-313.123(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) When aid is restored following a suspension, see Section 44-315.6.
- (MR) Example:
- (MR) If aid is discontinued March 31, and aid is restored to be effective anytime in May, the aid payments for May and June are computed using estimates of income reasonably expected in May and June.
- .2 Section 44-313.2(MR) et seq. shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) Retrospective Budgeting
- (MR) .21 Retrospective budgeting is the method used to compute the AFDC grant for a month using income received in the second month prior to the payment month. Income information shall be obtained from the Monthly Eligibility Report (CA 7).
- (MR) .22 Retrospective budgeting is the method used to compute:
  - (MR) .221 The AFDC grant for the third and subsequent payment months, except that income from the budget month which was considered prospectively for any payment month and is not of a continuous nature shall not be counted, see Section 44-313.3(MR).
  - (MR) .222 The AFDC grant for the month following a suspension as required by Section 44-315.6.
  - (MR) .223 The AFDC grant for the month in which aid is restored following a break in aid of less than a calendar month provided:
    - (MR) (a) The assistance unit received an aid payment, received a zero grant, or would have received an aid payment except for the restriction on grants of less than \$10, for the immediately preceding two payment months; or
    - (MR) (b) The assistance unit was suspended in either of the two payment months immediately preceding discontinuance and retrospective budgeting was or is required by Section 44-315.6 where aid was or is restored following the suspension.



<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U (Continued)</b>	<b>44-313</b>
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(MR) Example:

(MR) If aid is discontinued effective March 31, and aid is restored to be effective anytime in April, the grant for April is computed using income received in February, the grant for May is computed using income received in March, etc.

.3 Section 44-313.3(MR) et seq. shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Income of a Continuous Nature

(MR) .31 For the third and fourth payment periods, the income already used to compute the grant for the first and second payment periods which is not of a continuous nature shall not be counted.

.4 Budgeting the Income of Individuals Added to or Deleted from an Existing Assistance Unit

.41 Sections 44-313.41(MR) et seq. shall become inoperative and Section 44-313.41(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) The income of an eligible individual added to an existing assistance unit shall be budgeted prospectively for the first two payment months except in the following circumstances:

(QR) The income of a new person who is added to an existing AU shall be budgeted prospectively in accordance with Section 44-316.312(b)(QR) for each month of the QR Payment Quarter.

(MR) .411 When aid is restored following a break in aid from that assistance unit when the break in aid is less than one calendar month, retrospective budgeting shall continue. See Section 44-313.223(MR).

(MR) .412 When the added individual's income has been considered when determining the assistance unit's eligibility for the two months immediately preceding the beginning date of aid, retrospective budgeting shall be used.

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(MR) EXAMPLE:

(MR) Situation: The assistance unit is in retrospective budgeting. An unaided stepparent has income deemed to the assistance unit in December and January. The stepparent is added to the assistance unit on the first day of February, and remains eligible in subsequent months.

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**HANDBOOK CONTINUES**

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**HANDBOOK CONTINUES**

Budgeting: Retrospectively budget the stepparent's income deemed to the assistance unit in December to the February payment month. Retrospectively budget the stepparent's income deemed in January to the March payment month. Retrospectively budget all the stepparent's net nonexempt income received in February to the April payment month.

**HANDBOOK ENDS HERE**

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- (MR) .413 When the added individual's income has been considered when determining the assistance unit's eligibility for only the first month immediately preceding the beginning date of aid, his/her income shall be retrospectively budgeted in the second month of aid.

**HANDBOOK BEGINS HERE**

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(MR) EXAMPLE:

Situation: The assistance unit is in retrospective budgeting. A second parent moves into the home in January and applies for aid. Eligibility conditions are met at the end of January. The second parent is added to the assistance unit effective the first of February, and remains eligible in subsequent months.

Budgeting: Compute the second parent's income considered available to the assistance unit in January according to 44-133.3, and retrospectively budget this amount to the March payment month. Prospectively budget the second parent's net nonexempt income expected to be received in February to the February payment month. In addition, retrospectively budget the second parent's net nonexempt income received in February to the April payment month, if the income is of a continuous nature. (See Section 44-313.3(MR).) Retrospectively budget the second parent's net nonexempt income received in March to the May payment month.

**HANDBOOK ENDS HERE**

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- .42 Section 44-313.42(MR) shall become inoperative and Section 44-313.42(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) The income received during the budget month by an individual deleted from an assistance unit shall not be considered income to the assistance unit for retrospective budgeting in any payment month following his or her discontinuance except in the following circumstance:
- (QR) The income of an individual deleted from an AU shall not be considered income to the AU for budgeting purposes in any month(s) following his or her discontinuance except in the following circumstance:

<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U (Continued)</b>	<b>44-313</b>
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- .421 Section 44-313.421(MR) and Handbook Section 44-313.421(MR) shall become inoperative and Section 44-313.421(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
- (MR) When the person remains in the home following discontinuance and has income which is considered available to the assistance unit under Section 44-133, retrospective budgeting shall continue.

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**HANDBOOK BEGINS HERE**

(MR) EXAMPLE 1:

A child with income moves from the home in July. The child's needs are not considered for eligibility in August. Therefore, his/her June income is not considered when computing the grant paid in August.

(MR) EXAMPLE 2:

Situation: The assistance unit is in retrospective budgeting, and in January and prior months consisted of stepfather, mother and her separate child. Stepfather begins working full time and is removed from the assistance unit as of February 1. The stepfather remains in the home, and his income is deemed to the assistance unit according to 44-133.6 in February and subsequent months.

Budgeting: Retrospectively budget all the net nonexempt income received in November by the three-person assistance unit to the January payment month. Retrospectively budget all the net nonexempt income received in December by the three-person assistance unit to the February payment month. Retrospectively budget all of the net nonexempt income received in January by the three-person assistance unit to the March payment month. Retrospectively budget the net nonexempt income received in February by the two-person assistance unit, including the income deemed from the stepparent in February, to the April payment month. Note: This budgeting method is used even when the stepparent's income is not actually considered available to the family because the stepparent's needs and other deductions allowed under 44-133.6 are greater than the income.

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**HANDBOOK ENDS HERE**

- (QR) When the person remains in the home following discontinuance and has income which is considered available to the AU under Section 44-133, prospective budgeting shall continue.

.5 Budgeting in Approved Alternate Payment Systems

<b>44-313</b>	<b>BUDGETING METHODS FOR AFDC-FG/U (Continued)</b>	<b>44-313</b>
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|-----|---|
| .51 | Apply the requirements of 44-313 to approved alternate payment systems (see Section 44-305.3). Substitute references to "month" with phrase "28- to 31-day period not limited to a calendar month."   |
| .6  | Budgeting for Refugee or Cuban/Haitian Entrant Cases Transferred from Refugee or Cuban/Haitian Entrant Cash Assistance to AFDC-FG AND AFDC-U  |
| .61 | Section 44-313.61(MR) shall become inoperative and Section 44-313.61(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.   |
|     | (MR) The budget period for the month of transfer from the Refugee Resettlement or Cuban/Haitian Entrant Programs to AFDC-FG or AFDC-U shall be the second prior calendar month (retrospective budgeting) unless the family did not receive refugee or Cuban/Haitian entrant cash assistance in the second prior calendar month. |
|     | (QR) Prospective budgeting shall continue for recipients transferred from the Refugee Resettlement or Cuban/Haitian Entrant Programs to CalWORKs.   |
| .62 | Section 44-313.62(MR) and Welfare and Institutions Code Section 11265.3 shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.  |
|     | (MR) If the family did not receive cash assistance in the second prior calendar month, but did in the prior calendar month, the budget period for the month of transfer shall be the concurrent month. The budget period for the following month shall be the corresponding second prior calendar month.                        |

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

<b>44-314</b>	<b>MAXIMUM FAMILY GRANT (MFG)</b>	<b>44-314</b>
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- |     |              |  |
|-----|--------------|--|
| .1  | Definitions  | The following definitions pertain only to Section 44-314.  |
| .11 | Break-in-Aid | Section 44-314.11(MR) shall become inoperative and Section 44-314.11(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in the county, pursuant to the Director's Declaration. |

44-314	MAXIMUM FAMILY GRANT (MFG) (Continued)	44-314
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|--------------------------------|---|
| (MR)                           | For MFG purposes the following conditions will be considered a month in which the assistance unit (AU) did not receive cash aid:                    |
| (MR)                           | Months in suspense as defined in Section 44-315.8(MR).  |
| (MR)                           | A month in which the AU is eligible for a zero basic grant (ZBG) as defined in Section 44-315.9; or   |
| (MR)                           | A month in which the reunification family does not receive a cash aid payment pursuant to Section 82-812.683.                                       |
| (QR)                           | For MFG purposes the following conditions will be considered a month in which the AU did not receive cash aid:                                      |
| (QR) .111                      | A month in which the AU is eligible for a zero basic grant (ZBG) as defined in Section 44-315.9; or   |
| (QR) .112                      | A month in which the reunification family does not receive a cash aid payment pursuant to Section 83-812.683.                                       |
| .12 Law Enforcement Agency     | Law enforcement agency includes federal, state, and local law enforcement agencies.   |
| .13 Mental Health Professional | Mental health professional means a person who is licensed by the State of California to provide counseling services.                                |
| .14 MFG Child                  | MFG child means the child, or children in the case of a multiple birth, that is not included in the AU size for the purpose of determining the MAP. |
| .15 Received Aid               | Received aid means received cash aid for himself/herself or on behalf of his/her eligible child(ren). This includes:                                |
| .151                           | A sanctioned parent who has a protective payee.   |
| .152                           | A minor that receives aid as a child and who subsequently becomes a minor parent.   |

44-314	MAXIMUM FAMILY GRANT (MFG) (Continued)	44-314
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|------|-----------------|---|
| .2   | MFG             | When a child is born into an AU that has received aid for at least ten months immediately prior to the birth, the child shall not be included in the AU size for the purpose of determining the MAP. For MFG purposes, will be considered as a month in which the AU did not receive aid. |
| .3   | MFG Application | The MFG applies when:   |
| .31  | Notice          | The AU has received written notice of the MFG at least ten months prior to the birth of the child, and  |
| .32  | No Break in Aid | The AU has not had a break in aid of at least two consecutive months during the ten months immediately prior to the month of birth of the child.  |
| .4   | Continue MFG    | The MFG continues to apply until the AU has not received aid for at least 24 consecutive months.  |
| .5   | MFG Exemptions  | MFG shall not apply when:   |
| .51  | Rape            | The child was conceived as a result of an act of rape, as defined in Sections 261 and 262 of the Penal Code, and  |
| .511 |                 | The rape has been reported to a law enforcement agency, medical or mental health professional or an organization that provides counseling to victims of rape prior to, or within three months after, the birth of the child.  |
| (a)  |                 | The recipient shall provide written verification from one of the entities listed above, that the incident of rape was reported and the date that the report was made.   |

**44-315 AMOUNT OF AID (Continued)****44-315**

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|------|-----|---|
| (QR) | (1) | An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it does not anticipate any changes in income in the upcoming quarter compared to the Data Month income actually reported on the QR 7, and the county is in agreement with the AU's report of no change in income; or  |
| (QR) | (2) | An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming quarter, but the county determines in its follow-up review that the AU's reasonably anticipated income in the next QR Payment Quarter will not change from what was reported in the Data Month on the QR 7; or |
| (QR) | (3) | An AU reports on the QR 7 that it is paid on a weekly or bi-weekly basis and indicates that it anticipates changes in income in the upcoming quarter and the new amount is known and that the amount will remain the same for the entire QR Payment Quarter and the county is in agreement with the AU's report of the change in income.                    |

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Example 1:

The recipient reports on the QR 7 that four weekly paychecks were received in the following amounts: \$115, \$100, \$135, and \$95. The recipient also indicated on the QR 7 that his/her income is not expected to change during the next QR Payment Quarter compared to the income reported on the QR 7. The county will add the four weeks of income together, divide by four and then factor the resultant amount by 4.33 (use the appropriate conversion factor for the payment frequency) to arrive at the monthly income amount for the next QR Payment Quarter. If five pay periods were reported in the Data Month on the QR 7, the county will add each week together and divide by five and then factor the resultant amount by 4.33.

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**HANDBOOK CONTINUES**

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Example 2:

The QR Payment Quarter is January/ February/March. The recipient indicated on the QR 7 that weekly income of \$100 was received in the Data Month and marks on the QR 7 that this income amount will not continue during the upcoming QR Payment Quarter. The county consults with the recipient and finds out that the recipient anticipated a change in income because he/she hopes to get a new job in the next quarter but has no firm offer. The recipient states that if he/she does not get a new job, he/she will continue at the current job throughout the next quarter making the same amount. Due to the speculative nature of the new job and the recipient's statement regarding the current job, the county determines that the income reported in the Data Month on the QR 7 is reasonably anticipated to continue during the next quarter. Therefore, the county would apply the conversion factor of 4.33 to the \$100 weekly amount to arrive at the monthly income amount for the next QR Payment Quarter. (In this example, because the \$100 weekly amount remains the same for each pay period, the step requiring that the weekly amounts be added together and divided by the number of pay periods is not necessary.)

Example 3:

The QR Payment Quarter is January/February/March. The recipient indicated on the QR 7 that bi-weekly income of \$200 was received in the Data Month and marks on the QR 7 that this income amount will increase to a bi-weekly income of \$250 and will remain the same for the entire next QR Payment Quarter. The county agrees with the recipient's QR 7 information and applies the 2.167 conversion factor to the \$250 bi-weekly amount to arrive at the monthly income amount for the next QR Payment Quarter. (In this example, because the \$250 weekly amount remains the same for each pay period, the step requiring that the bi-weekly amounts be added together and divided by the number of pay periods is not necessary.)

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<b>44-315</b>	<b>AMOUNT OF AID (Continued)</b>	<b>44-315</b>
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(QR)	(b)	The average weekly and bi-weekly amounts arrived at above shall be converted to a monthly amount by using a 4.33 conversion factor for weekly payments and a 2.167 conversion factor for payments received bi-weekly.
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(QR)	(c)	The conversion factors can only be used if reasonably anticipated weekly and bi-weekly payments are reasonably anticipated to be paid throughout the entire QR Payment Quarter for each week or for every other week in the QR Payment Quarter. For reasonably anticipated income that is not paid weekly or bi-weekly for one or more months of the QR Payment Quarter, the total monthly reasonably anticipated income amounts shall be added together and averaged over the months of the QR Payment Quarter, by adding each month total income and dividing by the number of months in the QR payment quarter.
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Example:	The recipient reports on the QR 7 that she is paid on a weekly basis except she only works three weeks in a month and indicates that this frequency of pay will remain the same throughout the next QR Payment Quarter and will remain unchanged throughout the next QR Payment Quarter. She is typically paid \$115, \$100, and \$135. The county will add the three weeks of income together to arrive at a reasonably anticipated monthly income for the next QR Payment Quarter. Since income is not paid every week of the QR Payment Quarter, the conversion factor cannot be applied.
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(QR)	(d)	Monthly/Semi-Monthly Payments	For income that is received monthly or semi-monthly (two times a month) and is expected to continue, the county shall use the total monthly income amount reported on the QR 7 for the QR Data Month to calculate cash aid for the next QR Payment Quarter. The conversion factors shall not be used for income that is received monthly or semi-monthly.
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44-315	AMOUNT OF AID (Continued)	44-315
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Example:	The recipient reports on the QR 7 that monthly income of \$500 received in the QR Data Month will continue for the QR Payment Quarter. The county shall use the \$500 monthly income total to calculate cash aid.
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(QR) .316	Income Expected to Be Different	<p>For income that is reasonably anticipated to be different for one or more months of the QR Payment Quarter, the monthly income amounts shall be averaged over the months of the QR Payment Quarter by adding each month's total income and dividing that total by the number of months in the QR Payment Quarter.</p> <p>If this income is paid on a weekly or bi-weekly basis, the county shall determine the number of pay periods and their amounts reasonably anticipated to be received during each month of the QR Payment Quarter to compute the reasonably anticipated income total for each month.</p>
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Example:	<p>A recipient is in a January/February/March quarter. The recipient indicated on the QR 7 that weekly income of \$100 per week was received in the QR Data Month and that this income will not continue during the April/May/June quarter. The county consults with the recipient and determines that the \$100 per week pay will only be received until the second week of May. The recipient will begin a new job on June 1 and anticipates receiving a monthly income of \$500. There are five pay periods in April, and four pay periods in May.</p>
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**HANDBOOK CONTINUES**

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<b>44-315</b>	<b>AMOUNT OF AID (Continued)</b>	<b>44-315</b>
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**HANDBOOK CONTINUES**

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Once the monthly income amounts for each month of the QR Payment Quarter have been determined, add the reasonably anticipated income for each month of the quarter and divide by the number of months in the QR Payment Quarter to arrive at a reasonably anticipated monthly income. The county shall use the reasonably anticipated monthly income to calculate cash aid for the QR Payment Quarter.

The county will compute income for the new quarter as follows:

April	\$500
May	\$200
June	\$500
Total Quarter income	\$1200

The reasonably anticipated monthly income is \$400 (\$1200 divided by the number of months in the QR Payment Quarter).

The reasonably anticipated income for each month of the QR Payment Quarter \$400.

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(QR) .317 Determination of Aid Based on Mid-Quarter Changes

When a recipient mid-quarter report or a county initiated action changes the amount of cash aid, except as provided in Section 44-316.312(a)(3)(QR), the county shall determine the grant amount by adding the monthly income for the remaining months of the QR Payment Quarter then dividing by the number of months remaining in the QR Payment Quarter. The county shall use the reasonably anticipated monthly income to calculate cash aid for the remainder of the QR Payment Quarter.

.32 "Family" MAP

Determine the Maximum Aid Payment (MAP) for all family members whose needs are considered in the payment month. The MAP is set forth in Welfare and Institutions Code Section 11450.

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.321 MBSAC and MAP Levels

(a) REGION 1 MBSAC/MAP STANDARDS

<u># in AU</u>	<u>MBSAC</u>	<u>EXEMPT*</u>		<u>NONEXEMPT*</u>	
		<u>MAP</u>	<u>80%</u>	<u>MAP</u>	<u>80%</u>
1	423	373	298	336	269
2	693	613	490	548	438
3	859	758	606	679	543
4	1022	901	721	809	647
5	1165	1027	822	920	736
6	1310	1153	922	1033	826
7	1439	1267	1014	1136	909
8	1567	1382	1106	1237	990
9	1699	1492	1194	1336	1069
10 or more**	1844	1603	1282	1435	1148

REGION 2 MBSAC/MAP STANDARDS

<u># in AU</u>	<u>MBSAC</u>	<u>EXEMPT*</u>		<u>NONEXEMPT*</u>	
		<u>MAP</u>	<u>80%</u>	<u>MAP</u>	<u>80%</u>
1	402	355	284	319	255
2	659	584	467	521	417
3	817	723	578	647	518
4	972	859	687	770	616
5	1108	980	784	876	701
6	1245	1100	880	984	787
7	1367	1209	967	1079	863
8	1490	1316	1053	1177	942
9	1615	1424	1139	1272	1018
10 or more*	1754	1528	1222	1366	1093

\* See MPP Section 89-110.2 for definition of Exempt and Nonexempt AUs.

\*\* For MBSAC add fourteen dollars (\$14) for each additional needy person.

MBSAC Levels effective 10/01/01, MAP Levels effective 10/01/01.

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**HANDBOOK CONTINUES**

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<b>44-315</b>	<b>AMOUNT OF AID (Continued)</b>	<b>44-315</b>
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Benefits for the January/February/ March quarter are computed based on the income the AU reasonably anticipates it will receive during that quarter as follows:

\$ 100            Monthly DBI

\$ 900	Reasonably Anticipated Earned Income for January
+ 800	Reasonably Anticipated Earned Income for February
+ 0	Reasonably Anticipated Earned Income for March
<u>\$1700</u>	Subtotal Reasonably Anticipated Earned Income for Quarter

\$ 566.67            Reasonably Anticipated Earned Income Divided by the Number of Months in the QR Payment Quarter  $1700/3 =$  (averaged monthly earnings)

\$ 100	Reasonably Anticipated Monthly DBI Income
- 225	Less DBI Unearned Income Disregard
<u>-\$125</u>	Remaining Disregard

\$ 566.67	Reasonably Anticipated Monthly Earned Income
- 125	Less (remaining) Income Disregard
<u>\$ 441.67</u>	Subtotal
- 220.84	Less 50% Earned Income Disregard
<u>\$ 220.83</u>	Subtotal NNI

\$ 0.00	Add Reasonably Anticipated Monthly DBI
+ 220	Add Reasonably Anticipated Monthly Earnings
<u>\$ 220</u>	Total NNI [Rounded down]

\$ 799	MAP for AU of Four
- 220	Less NNI
<u>\$ 579</u>	New Monthly Grant for the QR Payment Quarter

(MR) Example 3:

A nonexempt AU of four (mother, father, and their two children) has gross earned income of \$775 per month. The father has \$150 in Social Security Disability benefits per month and \$300 in veteran's benefits. The family lives in Region 1.

\$ 150	Disability-Based Unearned Income
- 225	\$225 Income Disregard
<u>\$-75</u>	Remainder of \$225 Income Disregard (\$225 - \$150)

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**HANDBOOK CONTINUES**

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\$ 775	Earned Income
<u>- 75</u>	Remainder of \$225 Income Disregard (\$225 - \$150)
\$ 700	Subtotal
<u>- 350</u>	50% Earned Income Disregard
=350	Nonexempt Earned Income
+ 0	Nonexempt Unearned Disability-Based Income
<u>+300</u>	Nonexempt Unearned Income (Veteran's Benefits)
\$ 650	Total Net Nonexempt Income
\$ 728	Nonexempt MAP for four (Region 1)
<u>- 650</u>	Net Nonexempt Income
\$ 78	Grant Amount

**(QR) Mid-Quarter Changes to Cash Aid**

Example 3:

A Region 1 nonexempt AU of three (mother and two children) is in the October, November, and December quarter. On her previous QR 7 received in September, (QR Data Month for the previous quarter was August), mother reported her earned income to be \$600 and that she expected no changes for the next QR Payment Quarter.

\$ 600	Reasonably Anticipated Monthly Income for the Family
<u>- 225</u>	\$225 Income Disregard
\$ 375	Subtotal
<u>- 187.50</u>	50% Earned Income Disregard
\$ 187	Total Net Nonexempt Income [Rounded down]
\$ 704	Non-exempt MAP for Three, Region 1
<u>- 187</u>	Less Net Nonexempt Income
\$ 517	AU Monthly Grant for the QR Payment Quarter

On October 25, the mother voluntarily reports that the father, with no income, moved into the home on October 24. The father is determined eligible and is reasonably anticipated to have monthly income of \$200 for November and \$100 for December.

The Mid-Quarter Grant Calculation for the Remaining Months of the Quarter Would Be:

\$ 200	Father's Reasonably Anticipated Earned Income for November
<u>+ 100</u>	Father's Reasonably Anticipated Earned Income for December
\$ 300	Subtotal Reasonably Anticipated Earned Income for the Remainder of the Payment Quarter

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**HANDBOOK CONTINUES**

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<b>44-315</b>	<b>AMOUNT OF AID (Continued)</b>	<b>44-315</b>
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<p>\$ 150</p> <p>\$ 600</p> <p>+ 150</p> <p>\$ 750</p> <p>- 225</p> <p>\$ 525</p> <p>- 262.50</p> <p>\$ 262</p> <p>\$ 839</p> <p>- 262</p> <p>\$ 577</p>	<p>Father's Earned Income Divided by the Remaining Months of the QR Payment Quarter <math>\\$300/2 = \\$150</math> (reasonably anticipated monthly income)</p> <p>Existing AU's Previously Determined Reasonably Anticipated Monthly Earned Income (not recalculated)</p> <p>Father's Reasonably Anticipated Earned Monthly Income</p> <p>Total Net Nonexempt Income for the Potential AU</p> <p>\$225 Income Disregard</p> <p>Subtotal</p> <p>50% Earned Income Disregard</p> <p>Total Net Nonexempt Averaged Income [Rounded down]</p> <p>Non-exempt MAP for Four, Region 1(includes eligible father)</p> <p>Less Net Nonexempt Income</p> <p>AU Monthly Grant Payment for the Remaining Months of the QR Payment Quarter</p>
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Father is added to the existing AU effective November 1 since his addition to the AU will increase the cash aid. A supplement of \$60 is issued to the AU for November and the grant is increased to \$577 for the month of December.

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.4	Special Needs	The amount of the Special Needs shall be calculated as follows:
.41		Round to the next lower dollar the amount of recurring special needs (see Section 44-211) the Assistance Unit (AU) is eligible to receive.
.42		Payment for recurring special needs shall be added to the amount determined payable as the basic grant, provided that the allowance available for each FBU per month for recurring special needs does not exceed the amount resulting from multiplying \$10 by the number of persons in the FBU. However, any remaining excess of net nonexempt income above the maximum aid payment not utilized to meet nonrecurring or pregnancy special needs shall be applied to meet the cost of recurring special needs.

44-315	AMOUNT OF AID (Continued)	44-315
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.43	The amount determined in .421, up to limitation determined in .422, shall be paid in addition to the basic grant.
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.44	Round to the next lower dollar the amount of nonrecurring special needs (Section 44-211) the AU is eligible to receive.
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.45	Payment for nonrecurring special needs shall be added to the amount determined payable as the basic grant. However, any remaining excess of net nonexempt income above the maximum aid payment not utilized to meet recurring or pregnancy special needs shall be applied to meet the cost of nonrecurring special needs.
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.46	Payment for a pregnancy special need shall be added to the amount determined payable as the basic grant, provided that the pregnant woman has been determined to be eligible for such need in accordance with Section 44-211.4. However, any remaining excess of net nonexempt income above the maximum aid payment not utilized to meet recurring or nonrecurring special needs shall be applied to meet the cost of the pregnancy special need.
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.5	\$10 or More	If the amount determined in Section 44-315.38 is less than ten dollars (\$10), no payment shall be paid for that month. If the beginning date of aid is after the first of the month, and the amount of aid determined in Section 44-315.38 is to be prorated, and the prorated amount is less than ten dollars (\$10), no payment shall be paid for that month. Such cases shall be considered to have received a payment for all other purposes.
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		If the amount determined in Section 44-315.38 is ten dollars (\$10) or more, that amount is the total grant and, if there are no overpayment adjustments, shall be authorized as the aid payment.
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Section 44-316(MR) Title shall become inoperative and Section 44-316(QR) Title shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

**(MR)44-316 REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS 44-316**

**(QR)44-316 REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS 44-316**

.1 Sections 44-316.1 and .11(MR) shall become inoperative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(MR) Required Reporting of All Changes Affecting Eligibility and Grant Determination

(MR) .11 All recipients are required to promptly report to the county any changes in eligibility or grant determination factors.

.2 Section 44-316.2(MR) shall become inoperative and Sections 44-316.2(QR) and .21(QR) shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(MR) Additionally, prior to the end of each budget period, the county shall request updated information from recipient families concerning all changes affecting eligibility and grant in that budget period or expected changes in subsequent budget periods.

(MR) For all CalWORKs recipients, such information shall be reported on the CA 7. If the recipient fails to provide the report requested by the county by the deadline provided by Section 40-181.22(MR), then the recipient's grant will be terminated in accordance with Confidentiality, Fraud, Civil Rights, and State Hearings Manual Section 22-072. Though the CA 7 is not applicable to AFDC-FC, every effort shall be made by the county to insure that foster parents and children are aware of the necessity to report any change in need or income for the child.

(QR) Prior to the end of each QR Payment Quarter, the county shall request updated information from recipient families concerning all changes affecting eligibility and grant amount from the QR 7 Reporting Period and expected income changes in the next QR Payment Quarter.

(QR) .21 For all CalWORKs recipients, such information shall be reported on the QR 7. If the recipient fails to provide the report requested by the county by the deadline provided by Section 40-181.22(QR), then the recipient's grant will be terminated in accordance with Section 22-072.

<b>44-316</b>	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)</b>	<b>44-316</b>
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.22 Section 44-316.22(QR) shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(QR) The county shall use the QR 7 to determine continued eligibility as specified in Section 40-181.

.23 Section 44-316.23(QR) shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(QR) Additionally, the county shall compare the QR 7 submitted for that QR Payment Quarter to all mid-quarter reports that were reported during that QR Payment Quarter to ensure that mid-quarter circumstances reported are consistent with the circumstances reported on the QR 7.

.231 Section 44-316.231(QR) shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(QR) If the information reported on the QR 7 is inconsistent with the information provided in any mid quarter reports made during the QR 7 Reporting Period, the county shall take action to resolve the discrepancy. The county shall first attempt to contact the recipient to resolve the discrepancy. If the county is unable to contact the recipient or obtain resolution from such contact, the QR 7 shall be considered incomplete.

.3 Section 44-316.3(QR) et seq. shall become operative in a county on the date the QR/PB becomes effective in that county, pursuant to the Director's Declaration.

(QR) Mid-Quarter Actions

The county shall act on specified changes that occur mid-quarter. Mid-quarter changes to cash aid shall be acted on separately and sequentially under quarterly reporting/prospective budgeting and include:

<b>44-316</b>	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)</b>	<b>44-316</b>
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(QR) .31 Recipient Mid-Quarter Voluntary Reports

(QR) Recipients may voluntarily report verbally or in writing, changes in income and circumstances any time during the QR Payment Quarter. The county shall also accept a report of decreased income on the QR 7 as a voluntary mid-quarter report when the QR 7 is received in the Submit Month of the QR Payment Quarter. When a voluntary report of decreased income is received in the Submit Month, the county shall also treat this information as updated QR 7 income information (see Section 44-315.314(QR)) when determining cash aid for the next QR Payment Quarter. The county shall take action on voluntary reports that increase cash aid or the recipient requests voluntary discontinuance of aid. If the grant would decrease (for reasons other than a voluntary discontinuance of aid) or not change based on the voluntary report (except as provided in Section 44-318.152(a)(QR)), the county shall not take action to change the grant, but shall send a notice pursuant to Section 22-071.12(QR). Recipients must provide all verifications within ten days of a voluntary report prior to county action.

(QR) .311 When a voluntary report is made by the recipient regarding changes in income and/or circumstances during the QR Payment Quarter, the county must request verification in writing.

(QR) (a) If the recipient provides verification within 10 days of the voluntary mid-quarter report, the change is effective the first of the month following the voluntary report except as provided in Section 44-316.312(a)(4)(QR).

(QR) (b) If the recipient does not provide the necessary verification, the county shall send a No Change NOA to the AU.

(QR) (c) If the recipient provides verification after the 10 days, the date the verification is provided shall be considered the date of a voluntary report.

(QR) .312 Recipient voluntary reports include, but are not limited to, the following:

(QR) (a) Decreases in Reasonably Anticipated Income

(QR) (1) When an AU voluntarily reports a decrease in income from the amount that was reasonably anticipated to be received, the county shall determine if the AU's cash aid will increase based on the changed income amount.

(QR) (A) When an AU receives income from more than one source, and reports that its income has decreased, only the income that experienced the decrease shall be recalculated for the current and remaining months of the quarter. The new grant amount shall be calculated using the existing averaged income that didn't change and the recalculated averaged income (the income that decreased).

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| (QR) (B) When an AU consists of more than one person with income and one person experiences a decrease in income, only the changed income shall be recalculated. The new grant amount shall be based on that person's recalculated income along with the existing AUs averaged monthly income that did not change.

| (QR) (2) When cash aid would increase due to a voluntary reported decrease in reasonably anticipated monthly income, the county shall determine a new monthly grant amount based on the report of decreased income.

| (QR) (3) The county shall use the new reasonably anticipated income for the month in which the decreased income occurred or the month it was reported, whichever is later, and the reasonably anticipated monthly income for the remaining months of the QR Payment Quarter in recalculating cash aid for the month in which the change was reported and remaining months of the QR payment Quarter.

| (QR) (4) The county shall issue a supplement within ten days of receiving verification. The supplement shall be based on the difference between the recalculated cash aid and the cash aid that was paid for the month the decrease in income is reported or the month the change actually occurs whichever is later and when all verification has been provided (see Section 44-340.34(QR)).

| (QR) (5) The county shall increase the grant amount for the remainder of the QR Payment Quarter based upon the newly calculated grant in Section 44-316.312(a)(3)(QR).

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(QR) Example 1:

An exempt AU of three, in Region 1 is in the April/May/June quarter and is receiving a QR Payment Quarter grant of \$192 per month. The grant was based on the mother having reasonably anticipated earned income of \$1200 per month. On April 15, the mother reports that she lost her job and will only receive a \$600 paycheck for the month of April and anticipates no income for the remainder of the quarter. The county requests verification of the job loss and the recipient provides the necessary documentation by April 20. The county shall recalculate aid for QR Payment Quarter as follows:

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\$ 600	April Actual Income
+ 0	May Reasonably Anticipated Income
+ 0	June Reasonably Anticipated Income
\$ 600	Earned Income for the Quarter
$\div 3$	Earned Income Divided by Three
\$ 200	Reasonably Anticipated Monthly Income (month of report of decreased income plus the remaining months of the current QR Payment Quarter)
\$ 200	Reasonably Anticipated Monthly Income
- 225	Income Disregard
\$ 0	Subtotal
	50% Earned Income Disregard
\$ 0	Total Net Nonexempt Income
\$ 704	MAP for Three in Region 1(QR Payment Quarter monthly grant)
\$ 704	Potential Monthly Grant Amount
- 192	Grant Already Received
\$ 512	Supplement

A supplement of \$512 is issued for the family for the month of April and the cash aid is increased to \$704 for May and June.

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(QR) (6) If the AU voluntarily reports a decrease in earnings that resulted from a loss or reduction in hours of employment, and the county determines that the recipient did not have good cause for the job quit/reduction in hours, the county shall impose a sanction pursuant to Section 42-721.4. However, the county shall not wait to increase cash aid due to voluntary report of decreased income while determining if good cause exists before imposing the sanction. See Section 42-721.44 for the time frame for imposing sanctions.

(QR) (b) Adding Persons to an Existing AU

(QR) (1) When an AU voluntarily reports a new person in the home, the county shall determine:

(QR) (A) If the new person is CalWORKs eligible; and

44-316 (Cont.)	STANDARDS OF ASSISTANCE AID PAYMENTS		Regulations
44-316	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS</b> (Continued)		44-316
	(QR) (B)	If the new person were added into the AU, the AU would still meet all eligibility conditions; and	
	(QR) (C)	If the addition of the new person would increase or decrease the grant amount or render the AU ineligible.	
	(QR) (2)	In determining if the new person is CalWORKs eligible, the county shall use the reasonably anticipated averaged income for the new person and the existing AU's income for the month in which the new person was voluntarily reported in the home and the remaining months of the QR Payment Quarter. In making this determination, the county shall not recalculate the existing AU's reasonably anticipated monthly income that was previously computed.	
	(QR) (3)	When aid would increase due to the voluntary report of a new person, the county shall add the new person effective the first of the month following the report of the change, in which all verification has been provided and all eligibility conditions have been met.	
	(QR) (A)	The county shall include the new person's reasonably anticipated monthly income along with the existing AU's reasonably anticipated monthly income to recalculate cash aid for the month the new person is added and the remaining months of the QR Payment Quarter.	
	(QR) 1.	The new person's income will be averaged for the remaining months of the QR Payment Quarter. The county shall not recalculate the existing AU's monthly income that was previously computed when adding a new person to the grant.	
	(QR) 2.	The new grant amount shall be based on the AU's existing averaged monthly income and the new person's calculated averaged monthly income for the months the new person would be included in the AU.	
	(QR) (B)	The county shall increase the grant amount for the month the new person is added and the remaining months of the QR Payment Quarter based on the recalculation of the AU's cash aid (see Section 44-340.34(QR)).	
	(QR) (4)	When adding a new person who would result in an increase in aid, but the new person does not meet all eligibility conditions, before aid is authorized, the county shall not add the person nor discontinue the existing AU mid-quarter.	

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- (QR) (5) If the addition of a new person would result in a decrease in the existing AU's cash aid, the county shall not add the new person until the first day of the next QR Payment Quarter that follows the mandatory reporting of the new person on the QR 7, after all verification has been provided and all eligibility conditions have been met (except as provided in Section 82-832.3(QR)).

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- (QR) Example: An AU of three (mother and two children) are in a January/February/March Quarter. Father, who is disabled and has a part time job, moves into the home January 10 and is voluntarily reported in January by the AU. The county recalculates aid for the QR Payment Quarter using the father's reasonably anticipated income for the quarter and determines the addition of the father would decrease aid for the existing AU. The county does not add the father into the AU mid-quarter. The county will send a No Change NOA and remind the existing AU to report the father on the next QR 7, due March 5. If the father is still living in the home, meets all eligibility conditions, and the AU remains eligible, the father will be added into the AU April 1 and his income will be used in the grant calculation for the April/May/June QR Payment Quarter.

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- (QR) (6) If adding a new person would render the existing AU ineligible, the county shall not take action mid-quarter to discontinue the existing AU. The county shall discontinue the existing AU, with timely and adequate notice, at the end of the QR Payment Quarter in which the new person is mandatorily reported on the QR 7.

- (QR) (c) Request Discontinuance for Aid to Existing AU Members

- (QR) At any time during the QR Payment Quarter, a voluntary request can be made to discontinue the entire AU or any individual AU member who is no longer in the home or is an optional person.

- (QR) (1) If a voluntary request for discontinuance is made verbally, the county shall discontinue cash aid at the end of the month in which timely and adequate notice can be provided.

- (QR) (2) If the request for discontinuance was made in writing, the county shall discontinue cash aid at the end of the month with adequate notice.

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(QR) (3) If an individual requests discontinuance from an existing AU, the county shall discontinue the individual even when that individual's request results in a decrease in aid for the remaining AU members.

(QR) (A) The county shall not presume that a mid-quarter report of an individual leaving the home is a voluntary request for discontinuance of that AU member. In such circumstances, the county shall verify with the AU if the AU is seeking to discontinue that individual, and shall inform the AU that such a discontinuance shall result in decreased cash aid to the remaining AU members.

(QR) (B) If an individual AU member who has left the home requests a discontinuance, but the AU has not voluntarily reported the departure, the individual's request for discontinuance takes precedence over the AU's decision to not make this voluntary mid-quarter report.

(QR) (d) Request for Recurring Special Needs

(QR) (1) Recurring special needs that have been requested mid-quarter and have been verified and approved will begin the first of the month in which either the need was reported or the verification substantiates that the need exists, whichever is later, and shall remain in effect until the end of the quarter in which the special need is expected to end, except as provided in Section 44-211.641(QR).

(QR) (2) When an AU member becomes pregnant mid-quarter, the county shall make payment according to existing pregnancy special need rules (see Sections 44-211.6 et seq.) and will continue payment of the special need until the end of the quarter in which the child is expected to be born.

(QR) (A) If the pregnancy is verified to extend beyond the estimated date of confinement and extends into the next QR Payment Quarter, the county shall continue the pregnancy special need payment until the end of the QR Payment Quarter in which the new estimated date of confinement is established or until the newborn is added to the AU. See Section 44-318.15 for when to add the newborn.

(QR) .32 Recipient Mid-Quarter Mandatory Reports

Recipients shall report in person, verbally or in writing, specific changes during the QR Payment Quarter within ten days of when the change becomes known to the AU.



<b>44-316</b>	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)</b>	<b>44-316</b>
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(QR) .321 The following occurrences shall be reported by the recipient to the county:

(QR) (a) Drug felony convictions

(QR) (b) Fleeing felon status

(QR) (c) Violation of conditions of probation or parole

(QR) (d) Address changes

(QR) (e) Income exceeding the Income Reporting Threshold (IRT)

(QR) .322 The county shall discontinue cash aid to the recipient at the end of the month in which timely and adequate notice can be provided when changes specified in Sections 44-316.321(a), (b), and (c) are reported.

(QR) .323 The county shall act on address changes, in accordance with regulations and procedures regarding changes of residence.

(QR) .324 Income Reporting Threshold (IRT)

(QR) (a) The level of income that triggers the need for a CalWORKs AU to report a mid-quarter change in income. The IRT is the greater of 130 percent of the Federal Poverty Level or the level at which an AU becomes financially ineligible.

(QR) (b) If any member of the AU or person included in the family MAP, when the AU's current grant was determined, has earned income or begins receiving earned income, the AU must report to the county when the family's combined gross monthly income, earned and unearned, exceeds the AU's IRT during the QR Payment Quarter.

(QR) (1) An AU that has earned income only or a combination of earned and unearned income shall report when the family's combined gross monthly income exceeds the AU's IRT.

(QR) (2) An AU that has no income or has unearned income only shall report if they begin to receive earned income that, once combined with other family income, exceeds the AU's IRT.

(QR) (c) When an AU reports income in excess of the IRT, the county shall redetermine the AU's financial eligibility for the QR Payment Quarter.

<b>44-316</b>	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)</b>	<b>44-316</b>
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(QR) (1) When the AU reports income in excess of the IRT in the first or second month of the current QR Payment Quarter, the county shall determine if the reported income is reasonably anticipated to continue and whether the AU's net nonexempt monthly averaged income for the remainder of the current QR Payment Quarter will exceed the AU's MAP. If the averaged income is reasonably anticipated to continue to exceed the AU's MAP for the remainder of the QR Payment Quarter, the county shall determine the AU financially ineligible and shall discontinue the AU at the end of the month in which the AU first received the income that exceeded the AU's MAP, with timely and adequate notice (see Section 44-207.23(QR)).

(QR) (A) If the AU reports that the income will no longer exceed the IRT prior to the effective date of the discontinuance, and the county determines that this is reasonably anticipated, the county shall rescind the discontinuance.

(QR) (B) If the AU requests restoration of cash aid after the QR Payment Quarter in which the discontinuance takes effect, financial eligibility shall be determined in accordance with Sections 40-125.91 and .92(QR).

(QR) (2) When an AU reports income in excess of the IRT in the third month of the current QR Payment Quarter, the county shall determine if the reported income is reasonably anticipated to continue. If the income will continue, the county shall use that information together with the QR 7 information to prospectively determine eligibility and cash aid amount for the next QR Payment Quarter.

(QR) (d) If income that was reported as being in excess of the IRT is only expected to exceed the IRT for that one month and will not continue to exceed the IRT, the county shall not take action to discontinue cash aid. If the recipient's report indicates there will also be a decrease in the income previously anticipated for the QR Payment Quarter, the county shall treat this additional information as a mid-quarter report.

<b>44-316</b>	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)</b>	<b>44-316</b>
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An AU is in the April/May/June Quarter. In April, the AU reports timely to the county that their earned income exceeded the IRT due to overtime. When determining the reasonably anticipated income for May and June for the AU due to the IRT report, it is discovered that the AU will have no income for those months. Since the income over the IRT will not continue, the AU is not discontinued. The county shall treat this information as a mid-quarter report and recalculate the cash aid amount, after verification is received, for the decreased income for May and June. If the recalculation results in an increase of cash aid, a supplement will be issued for May and the grant increased for June.

**Income Reporting Threshold (IRT)  
for Recipient Family**

Region One	
*Reporting Size	Income Reporting Threshold
0	\$227
1	\$1009
2	\$1362 Oct. & Nov. 2004) \$1394 (Dec.2004 forward)
3	\$1698
4	\$2043
5	\$2387
6	\$2732
7	\$3076
8	\$3421
9	\$3766
10 or more	\$4111

*Effective 10/1/04*

\* The numbers in this column reflect the number of persons whose needs are included in the determination of eligibility for the AU. This number may be greater than the family's AU size.

Region Two	
*Reporting Size	Income Reporting Threshold
0	\$227
1	\$1009
2	\$1354
3	\$1698
4	\$2043
5	\$2387
6	\$2732
7	\$3076
8	\$3421
9	\$3766
10 or more	\$4111

*Effective 10/1/04*

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**(QR) .33 County Initiated Mid-Quarter Changes**

The county shall take mid-quarter action on certain specified changes in eligibility and grant status at the end of the month in which the change occurred even if it results in a decrease in cash aid.

44-316	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS</b> (Continued)	44-316
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(QR) .331 County-initiated actions include:

- (QR) (a) An adult in the AU reaches the 60-month time limit;
- (QR) (b) The county imposes a sanction or financial penalty on an individual member of the AU;
- (QR) (c) The county removes the sanction of an individual who corrects his/her welfare-to-work participation problem, in accordance with Section 42-721.48;
- (QR) (d) The county removes the penalty for an AU that complies with the CalWORKs program requirements;
- (QR) (e) A Cal-Learn participant earns a Cal-Learn bonus or sanction;
- (QR) (f) A child in the AU reaches the age limit (see Section 42-101);
- (QR) (g) A child in the AU is placed in Foster Care;
- (QR) (h) A Refugee Cash Assistance (RCA) recipient reaches the eight-month RCA time limit;
- (QR) (i) Aid is authorized for an individual who is currently aided in another AU;
- (QR) (j) Late QR 7 adjustment;
- (QR) (k) State Hearing decision resulting in mandatory changes mid-quarter;
- (QR) (l) When an AU becomes a Family Reunification case;
- (QR) (m) An AU member is no longer a California resident;
- (QR) (n) County acts on redetermination information in accordance with Section 40-181.1(QR).
- (QR) (o) Adjustments to correct erroneous payments caused by (1) incorrect or incomplete recipient QR 7 or mid-quarter reporting; or (2) incorrect action or lack of action by the county on QR 7 or mid-quarter information reported by the recipient;

<b>44-316</b>	<b>REPORTING CHANGES AFFECTING ELIGIBILITY AND GRANT DETERMINATIONS AND COUNTY ACTIONS (Continued)</b>	<b>44-316</b>
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|  | (QR) (p) | When it becomes known to the county that an AU member is deceased;   |
|  | (QR) (q) | An AU is transferred to a Tribal TANF program;   |
|  | (QR) (r) | Cost-of-living adjustments for Minimum Basic Standards of Adequate Care (including income in-kind), Maximum Aid Payment, and Social Security;  |
|  | (QR) (s) | When it becomes known to the county that an individual is confined in a correctional facility on the first of a month and is expected to remain for a full calendar month or more (see Section 82-812.62). |

NOTE: Sections 10553, 10554, and 11369, Welfare and Institutions Code. Reference: Section 10063 (Ch. 270, Stats. 1997), 11265, 11265.1, 11265.2, 11265.3, and 11450.5, Welfare and Institutions Code.

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<b>44-317</b>	<b>BEGINNING DATE OF AID FOR NEW APPLICATIONS (Continued)</b>	<b>44-317</b>
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- .641 When a child is transferring from AFDC-FC to Kin-GAP, but remains in the home of the same caretaker relative, the BDA of Kin-GAP is the first of the month following the dismissal of the dependency (see Section 90-105.132). AFDC-FC shall be paid until the Kin-GAP payment begins.
- .65 Transfers Between CalWORKs and Kin-GAP
  - .651 When a child is transferring from CalWORKs to Kin-GAP, or vice versa, but remains in the home of the same related caretaker, the effective date of the program transfer is the first of the month following the request for change of program or the dismissal of the dependency (see Section 90-105.132).
- .7 Aid Granted on Basis of Immediate Need After Determining Eligibility or Apparent Eligibility -- Has been Deleted per Manual Letter No. 79-58.
- .8 Previously Denied Application is Approved
  - .81 Aid shall be paid from the date it would have been paid in accordance with the beginning date of aid regulations in effect at the time the application was denied.
- .9 Repealed by Manual Letter No. EAS-91-14, effective 10/1/91.
- .10 Effective Date of Medical Assistance Certification
 

The effective date of the certification for Group I Medical Assistance for the applicant who has been found eligible for a cash grant is whichever of the following is later: (a) the first of the month of application, or (b) the first of the month in which there is eligibility (linkage).

NOTE: Authority cited: Sections 10553, 10554, 10604, 11209, and 11369, Welfare and Institutions Code. Reference: Sections 10553, 10554, 10604, and 11056, Welfare and Institutions Code; 45 CFR 205.42(d)(2)(A), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808; 45 CFR 206.10; 45 CFR 233.10(a)(1); 45 CFR 233.20(a)(1)(ii); 45 CFR 233.60; 45 CFR 233.90(c)(2)(i); and Blanco v. Anderson Court Order, United States District Court, Eastern District of California, No. CIV-S-93-859 WBS, JFM, dated January 3, 1995.

<b>44-318</b>	<b>BEGINNING DATE OF AID (BDA) FOR PERSONS BEING ADDED TO THE AU</b>	<b>44-318</b>
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|-----|------------------------------|---|
| .1  | Beginning Date of Aid        | The BDA shall be:   |
| .11 | Mandatorily Included Persons | Section 44-318.11(MR) shall become inoperative and Section 44-318.11(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration. |

44-318	<b>BEGINNING DATE OF AID (BDA) FOR PERSONS BEING ADDED TO THE AU (Continued)</b>	44-318
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(MR)	The date the person joins the AU or the date all eligibility requirements are met, whichever is later, for a person who is required to be included in the AU.
(QR)	When mandatorily included persons added result in a cash aid:
(QR) .111 Increase	The first of the month after the change is reported and all conditions of eligibility have been met.
(QR) .112 Decrease	The first day of the QR Payment Quarter following the required reporting of the individual on the QR 7 provided all conditions of eligibility have been met.
.12 Optional Persons	Section 44-318.12(MR) shall become inoperative and Section 44-318.12(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
(MR)	The date of application or the date all eligibility requirements are met, whichever is later, for a person who has the option to be included in the AU.
(QR)	When optional persons added result in a cash aid:
(QR) .121 Increase	The first of the month after the change is reported and all conditions of eligibility have been met.
(QR) .122 Decrease	The first day of the QR Payment Quarter following the required reporting of the individual on the QR 7 provided all conditions of eligibility have been met.



<b>44-318</b>	<b>BEGINNING DATE OF AID (BDA) FOR PERSONS BEING ADDED TO THE AU (Continued)</b>	<b>44-318</b>
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|------|--|---|
| .13  | Sanction/<br>Noncooperating Persons        | Section 44-318.13(MR) shall become inoperative and Section 44-318.13(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.   |
| (MR) |  | The date the person meets the requirement which caused that person to be excluded from the AU, or the date the person meets all eligibility conditions, whichever is later.   |
| (QR) |  | The first of the month following the date the person meets the requirement which caused that person to be excluded from the AU, after all conditions of eligibility have been met (see Section 44-316.331(c)(QR)), and the minimum sanction periods in accordance with Section 42-721.43 have passed.               |
| .14  | Unreported Mandatorily<br>Included Persons | Section 44-318.14(MR) shall become inoperative and Section 44-318.14(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.   |
| (MR) |  | The date the person meets all requirements for eligibility when he/she is required to be included in the AU but aid was not requested. Eligibility conditions are considered to have been met from the date the individual was discovered in the home, providing he/she is cooperating in meeting those conditions. |
| (QR) |  | The date the person meets all requirements for eligibility when he/she is required to be included in the AU but aid was not requested.  |
| (QR) | .141                                       | Eligibility conditions are considered to have been met from the first day of the month following the date the individual was discovered in the home, providing he/she is cooperating in meeting those conditions.   |

44-318	<b>BEGINNING DATE OF AID (BDA) FOR PERSONS BEING ADDED TO THE AU (Continued)</b>	44-318
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.15		Section 44-318.15(MR) shall become inoperative and Section 44-318.15(QR) et seq. shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
(MR) Newborn Child		The date of birth for a newborn child when his/her mother received pregnancy special need or the date all eligibility requirements are met, whichever is later.
(QR) Newborn Child and MFG Child		
(QR) .151	Newborn Child	When a newborn child is added results in a cash aid:
(QR) (a)	Increase	The first of the month after the birth is reported and all conditions of eligibility have been met (see Section 44-211.6(QR)).
(QR) (b)	Decrease	The first day of the next QR Payment Quarter after the change is reported on the QR 7 and after all conditions of eligibility have been met (see Section 44-211.6(QR)).
(QR) .152	Newborn MFG Child	When an MFG newborn child is added results in no change or a decrease in cash aid.
(QR) (a)	No PSN/No Change	The first of the month following the report of the birth provided that all conditions of eligibility have been met and provided that the mother is not receiving a pregnancy special need payment and the grant will not decrease as a result of adding the newborn.
(QR) (b)	PSN/Decrease	The first day of the next QR Payment Quarter following the report of the birth and all verification has been provided, when the mother has been receiving a pregnancy special need payment or the grant would otherwise decrease as a result of adding the newborn.

<b>44-350</b>	<b>OVERPAYMENTS -- GENERAL (Continued)</b>	<b>44-350</b>
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- (2) "CWD error," for purposes of this section, is the CWD's failure to inform an applicant/recipient that he/she must perform an act which constitutes a condition of eligibility.
- (3) "Applicant or recipient error," for purposes of this section, shall occur only when the applicant or recipient was notified, either verbally or in writing, of the need to perform the act which constitutes a condition of eligibility and did not perform the act in question after notification, within a reasonable period of time under the circumstances.

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- (A) For example, where a child becomes six years old on April 6 and the CWD informs the parent of the requirement to WIN register on July 12, the parent's failure to WIN register in July would probably be a "recipient error" and, therefore, cause an overpayment for July. However, if the parent is informed of the WIN registration requirement on July 29, a failure to register within that month would probably not be a "recipient error" and there would be no overpayment for July because the recipient did not have a reasonable period of time to WIN register before the end of the month. In either case, there is no overpayment for April, May and June.

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**HANDBOOK ENDS HERE**

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- (c) The amount of aid paid would have been the same had the act constituting the condition of eligibility been performed.
  - (d) The state agency or CWD error is discovered or an overpayment is being calculated or an overpayment is being recouped on or after January 1, 1985.
- .16 The county shall take all reasonable steps necessary to promptly correct and collect any overpayments that are known to the county including recovery of overpayments due to either applicant/recipient and/or county administrative errors, with the following exceptions:
- .161 The county shall not demand collection of nonfraudulent overpayments totaling less than \$35 from individuals no longer receiving aid. Where the nonfraudulent overpayment amounts owed by the individuals no longer receiving aid is \$35 or more, the county shall send a demand notice for repayment. No further collection efforts shall be made if the county determines that the cost to collect the overpayment exceeds the amount to be recovered.

44-350	<b>OVERPAYMENTS -- GENERAL</b> (Continued)	44-350
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- (a) Counties shall maintain information regarding the uncollected overpayments to enable recoupment should any individuals from the prior overpaid AU reapply.
- (b) Costs which counties shall consider when determining the cost effectiveness to collect are total administrative and personnel costs, legal filing fees, investigative costs, and any other costs which are applicable.

.162 Repealed by Manual Letter No. EAS-98-03, effective 7/1/98.

.17 Section 44-350.17(MR) shall become inoperative and Section 44-350.17(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) A reduced income supplemental payment which was correctly computed, based on the assistance unit's reasonable estimate of the income and other circumstances for the payment month, shall not be subject to an overpayment determination. If there is a computational error, the payment shall be corrected.

(QR) A supplemental payment which was correctly computed, based on the county's determination of reasonably anticipated income, shall not be subject to an overpayment determination provided that the recipient's report, upon which the county based its determination, was complete and accurate. If there is a computational error, the supplemental payment shall be corrected.

.18 Section 44-350.18(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(QR) An overpayment shall not be assessed based on any differences between the amount of income the county reasonably anticipated the recipient would receive during the QR Payment Quarter and the income the recipient actually received during that period, provided the recipient's reports were complete and accurate.

.2 Definitions (in Alphabetical Order)

- a) Action for Civil Judgment - The action taken by the appropriate county official to take the recipient or former recipient to court.
- b) Administrative Error Overpayment - Except as provided in Section 44-350.151, an overpayment caused by error on the part of the county when all information necessary to a correct determination of the grant was in the possession of the county.
- c) Aid - The amount of assistance issued to a recipient.

<b>44-350</b>	<b>OVERPAYMENTS -- GENERAL (Continued)</b>	<b>44-350</b>
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- d) Balancing - A method for the recovery of all or a portion of an overpayment by applying it against a repayable underpayment.
- e) Demand for Repayment - The notification to a recipient or former recipient that an overpayment occurred for which there is a right for judicial restitution. Where demand for repayment is appropriate, it may be used concurrently with other methods of adjustment.
- f) Grant Adjustment - Recovery of an overpayment by reducing the grant of a presently eligible individual or family.
- g) (Reserved)
- h) (Reserved)
- i) Month of Discovery - The month of discovery is the month in which the county obtained, or could have obtained by taking prompt action, information sufficient to support a determination both that an overpayment occurred and the amount of such overpayment.
- j) Nonfraudulent Overpayment - An overpayment which is not determined to be fraudulent pursuant to MPP 20-003.1.

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**HANDBOOK BEGINS HERE**

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MPP 20-003.1 provides that fraud exists when a person, on behalf of himself or others, has:

- (1) Knowingly and with intent to deceive or defraud made a false statement or representation to obtain benefits, obtain a continuance or increase of benefits, or avoid a reduction of benefits.
- (2) Knowingly and with intent to defraud failed to disclose a fact which, if disclosed, could have resulted in denial, reduction, or discontinuance of benefits.
- (3) Accepted benefits knowing he/she is not entitled thereto, or accepted any amount of benefits knowing it is greater than the amount to which he/she is entitled.
- (4) For the purpose of obtaining, continuing, or avoiding a reduction or denial of benefits, made statements which he/she did not know to be true with reckless disregard of the truth.

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**HANDBOOK ENDS HERE**

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- k) Recovery - Grant adjustment, voluntary grant offset, voluntary cash recovery, demand for repayment, action for civil judgment and balancing.

<b>44-350</b>	<b>OVERPAYMENTS -- GENERAL (Continued)</b>	<b>44-350</b>
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- l) Unlocatable - Means either of the following:
  - (1) When the county is unable to determine the physical whereabouts of the caretaker relative; or
  - (2) When the county is able to locate the caretaker relative, but unable to execute a legal process to collect.
- m) Voluntary Cash Recovery - Repayment voluntarily made to the county by a recipient who has incurred an overpayment.
- n) Voluntary Grant Offset - Voluntary repayment made to the county by a recipient's foregoing all or a portion of a grant for which he or she is eligible.

**.3 Investigation of Overpayments**

When information indicates that an overpayment may have occurred, the county shall take the following actions:

- .31 Review the eligibility and grant factors to find what the correct grant amount should have been;
- .32 Calculate the overpayment;
- .33 Determine from whom the overpayment may be recovered (see Section 44-352.3);
- .34 Determine the appropriate recovery method and the amount to be recovered.
- .35 If appropriate (see Section 44-352.5), initiate any referrals to the SIU for an investigation.

**.4 Aid Paid Pending**

Aid paid pending a state hearing decision (see Section 22-022) is a recoverable overpayment except to the extent that the claim is granted. However, the amount of a proposed overpayment adjustment which is stopped because of a recipient's timely request for a state hearing is not an overpayment.

<b>44-350</b>	<b>OVERPAYMENTS -- GENERAL (Continued)</b>	<b>44-350</b>
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- .5 Section 44-350.5(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(QR) Overpayments Due to the Inability to Provide Ten-Day Notice of Adverse Action

An overpayment shall be assessed when the AU receives more cash aid than the AU was entitled to receive because the county was unable to provide ten-day notice of an adverse action following receipt of a mandatory recipient report, including the QR 7.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Sections 11004 (Ch. 270, Stats. 1997), 11004.1, 11056, and 11265.1, Welfare and Institutions Code; Section 37 of AB 444 (Ch. 1022, Stats. 2002); 45 CFR 233.20(a)(13); and Administration for Children and Families (ACF) Action Transmittals (AT) 94-11 and 94-20.

<b>44-351</b>	<b>METHODS OF OVERPAYMENT RECOVERY</b>	<b>44-351</b>
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In addition to grant adjustment and demand for repayment which are discussed in Section 44-352.4 the following methods of recovery apply to all overpayments:

.1 Voluntary Cash Recoveries

Voluntary cash recovery should be explained by the county to a recipient (or former recipient) but no request for voluntary payment should be made.

- .11 If a recipient or former recipient offers to repay all or a portion of an overpayment which is not subject to grant adjustment or a demand for repayment and action for civil judgment, the following apply:

<b>44-351</b>	<b>METHODS OF OVERPAYMENT RECOVERY (Continued)</b>	<b>44-351</b>
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- .111 An agreement made with the recipient shall be in writing and shall clearly indicate to the individual that the repayment is voluntary.
- .112 The recipient is not required to fulfill any voluntary agreement he/she enters into and may suspend at any time payments he or she has agreed to make.

.2 Voluntary Grant Offset

Voluntary grant offset should be explained by the county to those recipients who have available income and resources when the overpayment could not be recovered in the appropriate adjustment period. However, no request may be made for voluntary repayment.

- .21 If the recipient offers to repay the remaining overpayment by foregoing all or a portion of a grant to which he or she is eligible, the following apply:

- .211 The county shall obtain in writing an agreement to repay. Such agreement shall clearly indicate to the individual that repayment is voluntary.
- .212 The recipient is not required to fulfill any agreement he/she enters into and may request payment of the full grant to which he/she is eligible at any time.

.3 Balancing

When an assistance unit has both an overpayment and an underpayment, the county shall offset one against the other.

<b>44-352</b>	<b>OVERPAYMENT RECOUPMENT</b>	<b>44-352</b>
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.1 Calculation of the Overpayment

When it is determined that an overpayment exists, calculate the amount of the overpayment and determine the appropriate methods of recovery.

.11 Overpayment due to "excess property"

- .111 Section 44-352.111(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's Declaration.



**44-352 OVERPAYMENT RECOUPMENT (Continued)****44-352**

(QR) Unless the excess property was spent down prior to the first day of the next QR Payment Quarter, which followed the QR 7 on which the excess property should have been reported, the county shall determine an excess property overpayment based on an accurate report and/or correct county action when:

- (a) Property information that should have been reported on the QR 7 was not reported; or
- (b) The county failed to act correctly on property information reported on the QR 7. Also see Section 40-125.951(QR).

.112 When a recipient has held property in excess of eligibility limits, the overpayment shall be calculated as follows:

- (a) Determine the period of time in which the recipient held property exceeding the property maximums.
  - (1) For the purposes of this section, the period that the recipient held excess property includes all months in which the total property value of the same items of property exceeds limits on the first day of the month, even though there may be intervening months in which the total property value is below limits. Fluctuations in the value of individual items of property shall not affect the determination of the period of time that the recipient held excess property, so long as the same items of property are included in the total property valuation. If the recipient disposes of an item of property or acquires an item of property, a new period begins and separate calculation is required.
- (b) Determine the month within the period in which the property value, on the first day of the month, was the highest and calculate the amount by which the property exceeded the eligibility limit.
- (c) Calculate the total amount of aid actually paid to the recipient during the months excess property was held, subtracting any money, excluding child support recoupment, received by the county which was credited against the aid payment for those months.
- (d) Determine whether the recipient received aid in "good faith". The determination of "good faith" receipt of aid shall be based on a preponderance of evidence establishing that the recipient believed himself/herself to be eligible to the aid received. The county shall consider information in the case record and all other available information, including an interview with the recipient if he/she is available and willing to cooperate. The determination of "good faith" receipt of aid shall be reasonable, objective, and drawn from all available information.

**44-352 OVERPAYMENT RECOUPMENT (Continued)****44-352**

- (1) The county shall not determine that a recipient has received aid in "good faith" in cases where the county has informed the recipient of his/her reporting responsibilities and, under the circumstances, the recipient knew of his/her reporting responsibilities and failed to report within his/ her competence. See Section 40-105.

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**HANDBOOK BEGINS HERE**

- (A) The following are examples of questions to be considered in making the determination. Not all questions necessarily apply in all situations.

1. How was the recipient informed of his/her reporting responsibilities? E.g., Mass Mailing? Personal Intake Interview? Home Visit? Never?
2. Is there information in the case record which indicates the recipient's apparent understanding of his/her reporting requirements with regard to property?
3. What is the recipient's history of reporting?
4. Did the recipient know the value of the property in question?
5. Did county actions contribute to the situation causing the overpayment?
6. Is there other information about the recipient's situation that would have an influence on the determination (i.e., language/age barrier)?

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**HANDBOOK ENDS HERE**

44-352	OVERPAYMENT RECOUPMENT (Continued)	44-352
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Handbook Section 44-352.121(a)(2)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to Director's QR/PB Declaration.

- (QR) In the quarter designated as October/November/December 2004, the county determines through an IEVS match that an AU had income that exceeded the IRT early January 2005 (January 5). (The quarter in which the income was received was January/February/March). The AU is still receiving the same level of income in the current July/August/September 2005 quarter and has never reported the income in a mid-quarter report or on any of the QR 7s that have been submitted. The county determines that the AU should have reported this change by January 15, and should have been discontinued due to financial ineligibility effective January 31. The AU should be discontinued with a 10-day notice and an overpayment would be established beginning February 1 through the month of discontinuance.

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**HANDBOOK ENDS HERE**

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- (b) If the overpayment occurred prior to January 1, 1998, and if the overpayment is due to any earned income that the recipient failed, without good cause, to report timely, no earned income disregards shall be allowed for that individual in that month.

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**HANDBOOK BEGINS HERE**

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Earned income disregards in effect prior to January 1, 1998 were: 1) \$90 standard work expense disregard, 2) \$30 and 1/3 earned income disregard, 3) extended \$30 income disregard, and 4) child and dependent care disregard (\$200 per month for children under 2 and \$175.00 per month for older children and other dependents).

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**HANDBOOK ENDS HERE**

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- .122 Subtract the correct grant amount from the amount of aid actually paid.
- .123 Subtract any money, excluding child support recoupment, received by the county and credited against the aid payment from the aid actually paid.
- .124 The total overpayment for each month is the lesser of the amount computed in Sections 44-352.122 or .123.
- .125 The total overpayment is the sum of all amounts calculated in Section 44-352.124.

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**HANDBOOK BEGINS HERE**

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EXAMPLES

<u>Factors</u>		<u>Computations</u>	
		(.121) <u>Correct</u> <u>Grant</u>	(.122) Potential/Actual <u>Overpayment</u>
1.	Earned Income	\$1,025	
	Reported Income	1,025	
	Income Disregard	<u>- 225</u>	
	Subtotal	800	
	50% Earned Income Disregard	<u>- 400</u>	
	Total Net Nonexempt Income		
	400		
	MAP for Five	\$ 767	
	Total Net Nonexempt Income	<u>- 400</u>	
	Aid Payment	\$ 367	
	Potential Overpayment (Aid Paid Less Correct Grant)		\$ 767 <u>- 367</u> \$ 400
	Support Payment (.123)	\$100	
	Unreimbursed Grant (Aid Paid Less Support Payment)	\$667	
	Actual Overpayment (Lesser of Unreimbursed Grant or Potential Overpayment)		\$ 400

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**HANDBOOK CONTINUES**

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**44-402      COMPUTATION OF A REDUCED INCOME SUPPLEMENTAL PAYMENT      44-402**  
(Continued)

- (MR) .2      Net available income is determined by adding the retrospectively budgeted grant amount as described in Section 44-402.21(MR) to the estimated other available income, as described in Section 44-402.22(MR).
- (MR) .21      The total grant amount, in accordance with Section 44-315.43, retrospectively budgeted from the budget month to the payment month, that the assistance unit would otherwise receive with the following exceptions:
- (MR) .211      Special needs shall not be considered part of the grant amount for the payment month. This includes recurring special needs, nonrecurring special needs and the pregnancy special need payment.
- (MR) .212      The amount that would otherwise be adjusted to recover an overpayment shall not be considered when considered the amount for the payment month.

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**HANDBOOK BEGINS HERE**

- (MR)      Note: Any overpayment recoupment that was based on retrospectively budgeted income that is not available in the payment month shall be corrected in accordance with MPP Section 44-352.4.

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**HANDBOOK ENDS HERE**

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- (MR) .213      Any portion of the grant which represents a child support penalty shall not be considered when computing the grant amount for the payment month.
- (MR) .22      The total net nonexempt income estimated to be available in the reduced income supplemental payment month shall be established in accordance with the income definitions in Chapter 44-100 plus the \$50 child/spousal support disregard.
- (MR) .3      The ten dollar (\$10) payment limit specified in Section 44-315. 5 shall not apply to the reduced income supplemental payments.
- (MR) .4      Liquid resources and underpayment adjustments for prior months shall not be considered net available income.
- (MR) .5      A reduced income supplemental payment shall not be considered income when calculating the amount of the grant to be paid in future months.
- (MR) .6      No overpayment or underpayment shall be assessed against a reduced income supplemental payment which was correctly computed based on the assistance unit's reasonable estimate of expected income and other circumstances for the reduced income supplemental payment month.

<b>44-402</b>	<b>COMPUTATION OF A REDUCED INCOME SUPPLEMENTAL PAYMENT</b>	<b>44-402</b>
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(Continued)

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(MR) .7 Example of Reduced Income Supplemental Payment Issuance:

An AU of two, a mother and one child, nonexempt and residing in Region 1, has a grant of \$188 in January. The mother's hours of employment are reduced effective December 31 of the preceding year. She was receiving \$500 a month but her wages were reduced to \$295 and she expects no additional income in January. She receives \$50 child support disregard per month from the county welfare department for child support received by the county. The mother applies for a RISP on January 8. The county determines that there is a decrease in net nonexempt earned income from November to January.

Computation:

Step 1 - Computing Total Available Income

\$ 295	Estimated earned income in January
<u>- 225</u>	Income Disregard
\$ 70	Subtotal
<u>- 35</u>	50% Earned Income Disregard
\$ 35	Net Nonexempt Income
+188	Aid in January (before overpayment adjustment, if applicable)
+ 50	Child Support Disregard received in January
<u>+ 35</u>	Net nonexempt income
\$ 273	Total available income in January

Step 2 - Computing RISP Payment

\$ 394	80% of AU MAP (\$493) for two [Rounded down]
<u>- 273</u>	Minus Total Available income
\$ 121	Reduced Income Supplemental Payment

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**HANDBOOK ENDS HERE**

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NOTE: Authority cited: Sections 10553, 10554, 11450, and 11453, Welfare and Institutions Code. Reference: Sections 11008, 11017, 11255, 11450, 11450.015, 11450.12, 11450.2, and 11451.5, (Ch. 270, Stats. 1997), Welfare and Institutions Code; Section 37 of AB 444 (Chapter 1022, Statutes of 2002); 45 CFR 237.27; Federal Terms and Conditions for the California Assistance Payments Demonstration Project as approved by the United States Department of Health and Human Services on October 30, 1992; and Letters from the Department of Health and Human Services, Administration for Children and Families, dated February 29, 1996, March 11, 1996, and March 12, 1996.

**80-310 DEFINITIONS - FORMS**  
(Continued)

**80-310**

(MR) CA 22

The "Alien Sponsor's Statement of Facts Regarding Income and Resources (Supplemental Application for Food Stamps and AFDC)" (Rev. 10/85) is the form used to collect the information about the alien sponsor necessary to determine the eligibility of an applicant who is a sponsored alien.

(8) CA 23

The "Senior Parent(s)/Legal Guardian(s) Statement of Facts" (Supplement to CA 2, Rev. 1/89) is used to collect information about the senior parent/legal guardian's income to determine a minor parent's eligibility.

(9) CA 24

The "Sponsoring Agency or Organization's Statement of Facts Regarding Ability to Meet the Alien's Needs" (Rev. 1/85) is used to collect the necessary information to determine the eligibility of an alien who is sponsored by an agency or organization.

(10) CA 42

The "Statement of Facts for Homeless Assistance (Rev. 1/96)" is used to gather information to determine eligibility for non-recurring special need for homeless assistance.

(11) CA 371

The "Referral to District Attorney" (Rev. 3/93) is used to refer cases to the District Attorney for child support enforcement purposes.

(12)

Section 80-310(c)(12)(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) CW 7

The "Monthly Eligibility Report" (Rev. 7/00) is used to collect information for cash aid and food stamps. The CW 7 replaces the CA 7.

80-310	DEFINITIONS – FORMS (Continued)	80-310
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- |      |              |  |
|------|--------------|--|
| (13) | CCP 1        | The Declaration of Exemption From Trustline Registration and Health and Safety Self-Certification, (10/98), Recommended, is used to declare that an individual; the aunt, uncle, grandmother/father, great grandmother/father, great aunt/uncle of the child(ren) in care is exempt from licensure.  |
| (14) | CCP 4        | The Health and Safety Self-Certification (For license-exempt providers), (10/98), Required (Substitutes Permitted), is used for a license-exempt child care provider who is serving a family that receives subsidized child care. Also, this form certifies that the home where child care is provided meets basic health and safety standards, including the prevention and control of infectious diseases. |
| (15) | CCP 6        | The Health and Safety Facility Checklist, (7/98), Required (Substitutes Permitted), is used to provide parents with a list of suggested questions to ask their child care provider to ensure that the home where care is to be provided is a safe and healthy place for their child(ren).  |
| (d)  | (1) DHS 6110 | The Medical Insurance Form (Rev. 10/91) is used to collect information regarding medical coverage and identify third parties who may be liable to pay for medical expenses of AU members.  |



<b>80-310</b>	<b>DEFINITIONS - FORMS</b>	<b>80-310</b>
	(Continued)	

(2)	DHS 6155	The Health Insurance Questionnaire (Rev. 10/90) is used to collect information regarding medical coverage and identify third parties who may be liable to pay for medical expenses of AU members.
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	(e)	(Reserved)
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	(f)	(1)	FC 2	The "Statement of Facts Supporting Eligibility for AFDC-Foster Care (FC)" (Rev. 7/02) is used to collect information necessary to determine foster care eligibility at the time of application and redetermination.
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	(2)	FC 18	The "Notification of AFDC-Foster Care Transfer" (Rev. 2/97) collects and transmits the information necessary to transfer a foster care case between counties.
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	(g) through (i)	(Reserved)
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	(j)	(1)	JA 2	The "Statement of Facts - Cash Aid and Food Stamps" (Rev. 4/90) is used to collect the information necessary to determine eligibility at the time of application and redetermination. This form replaces the CA 2.
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	(k) through (p)	(Reserved)
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	(q)	Sections 80-310(q)(1)(QR) through (11)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.
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**80-310**      **DEFINITIONS - FORMS**  
(Continued)

**80-310**

(QR) (1)    QR 2

The "Reporting Changes for Your Cash Aid Assistance Unit and Food Stamp Households" (Rev. 4/03) may be used to inform the recipient of their Income Reporting Threshold (IRT) and reporting responsibilities.

(QR) (2)    QR 3

The "Mid-Quarter Status Report" (Rev. 4/03) may be used by recipients to report mandatory and/or voluntary mid-quarter changes in writing. Clients are not mandated to use this form and counties shall also accept mid-quarter reports that are submitted in a manner other than on the QR 3.

(QR) (3)    QR 7

The "Quarterly Eligibility/Status Report" (Rev. 4/03) is used to collect information to determine eligibility and benefits for cash aid and food stamps. The QR 7 comes with an addendum that lists examples of income and expenses and the penalties for fraud.

(QR) (4)    QR 7A

The "How to Fill Out Your QR 7 Quarterly Eligibility/Status Report" (Rev. 4/03) instructs recipients on how to fill out the Quarterly Report (QR 7). The QR 7A shall be given to applicants at the time of application and to recipients at each annual redetermination. The form shall also be made available anytime the client requests it.

(QR) (5)    QR 22

The "Sponsor's Statement of Facts Income and Resources (Supplemental Application For Food Stamps And Cash Aid)" (Rev. 7/04) is used to collect necessary information about a noncitizen's sponsor for determining eligibility for the noncitizen.

(QR) (6)    QR 25A

The "Payee Agreement For Minor Parent" (Rev. 5/04) is used in minor parent cases to delegate an adult payee.

(QR) (7)    QR 29

The "Applicant Test" (Rev. 5/04) is used to determine if the applicant is eligible for Cash Aid.

<b>80-310</b>	<b>DEFINITIONS - FORMS</b> (Continued)	<b>80-310</b>
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|------|------------|--|
| (3)  | TEMP 2185A | The Tyler Claim Form (09/00) (English/Spanish) is used by a claimant to file for retroactive payments as provided in the judgment of <u>Tyler v. Anderson</u> .  |
| (4)  | TEMP 2185B | The Tyler Supplemental Applicant Claim Form (10/00) (English/Spanish) is used by applicant claimants to file for retroactive payments to determine financial and categorical eligibility for IHSS as provided in the judgment of <u>Tyler v. Anderson</u> .  |
| (5)  |            | Section 80-310(t)(5)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.  |
| (QR) | TEMP QR 1  | The "New Reporting Requirements for CalWORKs and Food Stamp Recipients" (Rev. 8/03) is a mass informing notice sent to recipients on a monthly basis for a period of three months before and three months after implementation of QR/PB. The informing notice shall be given to applicants who apply during the reporting transition. This notice explains the change from monthly reporting to quarterly reporting. |
| (6)  | TLR 1      | The California Department of Social Services Trustline Registry Application Form (Rev. 1/99), is used for license-exempt child care providers to apply to the Trustline Registry.  |

(u) through (z)      (Reserved)

NOTE: Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code. Reference: 45 CFR 206.10(a)(8); Sections 10553, 10950, 11054, 11265.1, 11265.2, 11265.3, 11450(b), 12300, 12300.2, 12304, 12304.5, and 14132.95, Welfare and Institutions Code; Judgment Re: Tyler v. Anderson, Sacramento Superior Court Case No. 376230, dated January 22, 1999; 8 USC Section 1631; and 1798.17, Civil Code.

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<b>82-820</b>	<b>INCLUDED PERSONS (Continued)</b>	<b>82-820</b>
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|------|---|--|
| .331 | The applicant child, or   |  |
| .332 | The applicant child's eligible siblings or half-sibling who meet the age requirement. |  |

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**HANDBOOK BEGINS HERE**

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|------|---|--|
| .333 | For exceptions to the mandatory inclusion requirements applicable to pregnant or parenting minors who are participants of the California Work Pays Demonstration Project, see Section 89-201.5. |  |
|------|---|--|

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**HANDBOOK ENDS HERE**

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|----|-------------------|---|
| .4 | Who Determines AU | The county shall determine who is mandatorily included and excluded from the AU. The county and the applicant/recipient shall determine whether or not an optional person will be included in the AU. |
| .5 | Penalty           | The county shall deny the application or discontinue AFDC when a mandatorily included person refuses to be included.  |

[Previous Cites: 44-205.1, 44-205.4 and 44-205.51]

NOTE: Authority cited: Sections 10553, 10554, 10604, and 11369, Welfare and Institutions Code. Reference: 42 USCA 606; 45 CFR 206.10(a)(1); 45 CFR 233.10(a)(1), (a)(1)(iv) and (vii); 45 CFR 233.90(c)(1)(v)(A); 45 CFR 237.50(b)(5); 45 CFR 250.34; SSA-AT-86-01; Section 242, California Civil Code; Edwards v. Healy, Civ. S. 91-1473 DFL (1992); Sections 10553, 10554, 10604, 11000, 11254, 11265.3, 11400, 11450, and 11450.16, Welfare and Institutions Code; and ACF-AT-94-5.

<b>82-824</b>	<b>ASSISTANCE UNITS THAT SHALL BE COMBINED</b>	<b>82-824</b>
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- |     |                 |  |
|-----|-----------------|--|
| .1  | Combining AUs   | Two or more AUs in the same home shall be combined into one AU when:                                     |
| .11 | Marriage        | A caretaker relative is married to another caretaker relative in another AU, or                          |
| .12 | Child in Common | Two caretaker relatives in the home have separate children and also have an eligible child in common, or |

82-824	ASSISTANCE UNITS THAT SHALL BE COMBINED (Continued)	82-824
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.13	One Caretaker Relative	There is only one caretaker relative.
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(QR) .14	Combining AUs Mid-Quarter	
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(QR) .141	When a voluntary report is made that would combine separate AUs mid-quarter, the county shall determine if the mid-quarter action of combining the AUs would increase or decrease aid for the separate AUs.
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(QR) .142	The county shall compare the monthly grant for the combined AUs to the total combined monthly grants of the separate AUs.
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(QR) .143	If the combined AU's monthly grant would be higher than the total combined monthly grant of two separate AUs, the county shall take mid-quarter action to combine the AUs the first of the month following the voluntary report.
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(QR) .144	If the combined AU's monthly grant does not result in an increase to the total combined monthly grant of the separate AUs, the county shall not take mid-quarter action to combine the AUs. The combining of the separate AUs shall be effective the first of the next QR Payment Quarter, after the change(s) is reported on the QR 7.
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[Previous Cite: 44-205.3]

NOTE: Authority cited: Sections 10553, 10554, and 10604, Welfare and Institutions Code. Reference: 45 CFR 206.10(a)(1); 45 CFR 233.90; 45 CFR 237.50(b)(5); United States Department of Health and Human Services, Office of Family Assistance, Aid to Families with Dependent Children Action Transmittal No. SSA-AT-86-1; Section 242, California Civil Code; Anderson v. Edwards 115 S.Ct. 1291 (1995); and Sections 10553, 10554, 10604, 11000, 11265.3, and 11450, Welfare and Institutions Code.

82-828	OPTIONAL PERSONS	82-828
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.1	County Responsibility	
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.11	Identify Optional Persons	The county shall identify, for the applicant or recipient, any person living in the home who may be included in the AU.
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<b>82-828</b>	<b>OPTIONAL PERSONS (Continued)</b>	<b>82-828</b>
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| .111 | This shall be done at the time of application, redetermination, or at any other time the county is informed of a change in the number of persons living in the home. |  |
| .12  | Effect on AU   | The county shall explain to the applicant or recipient the effect of including or excluding the optional person. The applicant or recipient shall decide who is to be included.                                  |
| .121 |  | The explanation shall include a description of the AU composition which will result in the maximum aid to which the family is eligible, considering the income and resources of each person who may be included. |
| .2   | Optional Persons   | The following persons who are not otherwise required to be in the AU shall be included upon request of the applicant/recipient.  |
| .21  | Nonparent Caretaker Relatives  | Any nonparent relative who has been determined to be the caretaker relative.   |
| .22  | Other Eligible Children  | Any other eligible children, including, but not limited to, a niece or nephew.   |
| .23  | Essential Persons  | Any essential person who meets the requirements of Section 44-209.3.   |

[Previous cite: 44-205.5, 44-203.3, 44-118.11]

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: 42 USCA 606(a) and (b)(1); 45 CFR 206.10(a)(1)(vii) and (a)(2)(i), 45 CFR 233.20(a)(2)(vi), and 45 CFR 237.50(b)(3)(i) and (b)(4)(i); SSA-AT-80-32 and SSA-AT-86-01; and Section 11203, Welfare and Institutions Code.

<b>82-832</b>	<b>EXCLUDED PERSONS</b>	<b>82-832</b>
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|-----|-----------------------------------|--|
| .1  | Person Who Is Excluded By Law     | A person excluded from the AU by law is a person who:                            |
| (a) | Child of AFDC-FC or Kin-GAP Child | Is a child living with his/her minor parent who is receiving AFDC-FC or Kin-GAP. |
| (b) | Citizenship/ Alienage             | Does not meet the citizenship/alien status requirements.                         |

82-832	EXCLUDED PERSONS (Continued)	82-832
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| (c) | Father of Unborn                         | Is an unborn child's father who is living in the home with the pregnant woman and who is:  |
|     | .131                                     | Not the parent or caretaker relative of an eligible child, or  |
|     | .132                                     | Not an essential person.   |
| (d) | Other Aid                                | Receives SSI/SSP, Refugee Repatriate Payment (RRP), Kin-GAP or AFDC-FC.  |
| (e) | Sponsored Noncitizen                     | Is a sponsored noncitizen whose needs are being met by a sponsor's deemed income.  |
| (f) | Spouse of Eligible Child                 | Is a spouse of an eligible child, living with the child in the senior parent's home, when there is no child in common for whom deprivation exists.   |
| (g) | Refugee Eligible for Alternative Project | Is a refugee who is eligible for and required to participate in an alternative project implemented pursuant to Section 412(e)(7) of the federal Immigration and Nationality Act 8 USC 1522(e)(7).  |
| (h) | Fleeing Felon                            | Is fleeing to avoid prosecution, or custody or confinement after conviction for a crime or attempt to commit a crime that is a felony. The existence of a warrant for arrest shall be presumed to be evidence of fleeing, unless rebutted by other evidence sufficient to prove that the individual had no knowledge that he/she is being sought by law enforcement. |
| (i) | Violation of Probation or Parole         | Is in violation of a condition of probation or parole. The initial offense for which probation or parole was ordered need not have been a felony.  |



82-832	EXCLUDED PERSONS (Continued)	82-832
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(j)	Convicted Drug Felon	Has been convicted in a state or federal court of a felony that has as an element, the possession, use or distribution of a controlled substance. The conviction must be after December 31, 1997. Controlled substance is defined in Section 102(6) of the Controlled Substances Act (21 U.S.C. Section 802(6)) or Division 10 (commencing with Section 11000) of the Health and Safety Code. The term 'convicted' also includes a plea of guilty or nolo contendere.
.2	Sanctioned Persons	A person excluded from the AU due to a sanction, is:
.21	Child/Spousal Support	A parent, pregnant woman, or caretaker relative who refuses to assign support rights.
.22	Citizenship	A person who fails to cooperate in the verification of his/her citizenship or alien status.
.23	Welfare-to-Work	A non-exempt welfare-to-work participant who fails or refuses without good cause to meet program requirements, and:
	.231	When the participant is a principal earner, the second parent is also ineligible unless he/she is participating in welfare-to-work activities.
.24	Social Security Number	An applicant or recipient; or a child whose parent, caretaker relative, or legal guardian who:
	.241	Refuses or fails to furnish an SSN or evidence of a completed application for an SSN, or
	.242	Refuses or fails to cooperate in verifying an SSN.
.25	Striking	A striker who is not a caretaker relative.
.26		Repealed by Manual Letter No. EAS-98-03, effective 7/1/98.
.3	Add a Person Who Becomes Ineligible Prior to Authorization of Aid	Section 82-832.3(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

**82-832 EXCLUDED PERSONS (Continued)****82-832**

(QR)

A new person who has been mandatorily reported on the QR 7 and determined eligible based on the QR 7 information, shall be treated as an excluded person for the next QR Payment Quarter when ineligibility occurs after the QR Data Month but prior to the authorization of aid (see Section 40-171.221). This person's income and needs, as reported on the QR 7, shall be treated in accordance with Section 44-133.5 for the next QR Payment Quarter and the AU shall be discontinued at the end of that quarter in which the individual was treated as an excluded person, if the subsequent QR 7 establishes that ineligibility continues to exist for the AU.

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**HANDBOOK BEGINS HERE****Example:**

An AU is aided based on absent parent deprivation. The current QR Payment Quarter is January/February/March. In January, the absent father returned to the home and is reported for the first time on the QR 7 for the Data Month of February. The father, who was determined to be the principal earner, was receiving UIB in the first month (January) and in the Data Month and was initially determined eligible as an unemployed parent based on the QR 7 information. However, when the county completed the interview in the Submit Month, it was learned that the father had accepted a full-time job in the Submit Month of March. Since the principal earner has accepted full-time employment and deprivation due to unemployment was not established prior to the authorization of aid for the father, the county shall deny aid to the father in accordance with Section 40-171.221(g) and instruct the AU to report the father's full-time employment on the QR 7 due in June (for May). Because ineligibility for the father has occurred after the QR Data Month but prior to the authorization of aid, his reasonably anticipated income as reported on the QR 7 for February, and his needs shall be treated as those of an excluded person in accordance with Section 44-133.5 for the next QR Payment Quarter. The existing AU's deprivation is not affected until the father's full-time employment that occurred mid-quarter (in March) is reported on the subsequent QR 7. If the subsequent QR 7 establishes that ineligibility exists for the AU, the county shall discontinue cash aid at the end of that quarter once timely and adequate notice has been provided.

**HANDBOOK ENDS HERE**

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[Previous cite: 44-206]

## 82-832 EXCLUDED PERSONS (Continued)

82-832

NOTE: Authority cited: Sections 10553, 10554, 10604, 11270, and 11369, Welfare and Institutions Code. Reference: 8 CFR 213a. and 299; 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808, 45 CFR 205.52, 45 CFR 206.10(a)(5)(i), 45 CFR 232.12(d), 45 CFR 233.10(a)(1)(i), (a)(1)(i)(B), and (a)(3), 45 CFR 233.20(a)(1)(i), (a)(3)(ii)(C) and (F), and (a)(3)(ix), 45 CFR 233.50, 45 CFR 233.51, 45 CFR 233.90(c), (c)(1), and (c)(2)(iv), 45 CFR 233.100(a)(5)(ii), 45 CFR 233.106, 45 CFR 240.22, and 45 CFR 250.34(a) and (c), and (c)(2); and Sections 11008.13, 11104, 11157, 11201(b), 11203, 11251.3, 11263.5, 11265.1, 11265.2, 11265.3, 11268, 11270, 11315, 11320.6(e), 11327.5(c), 11406.5, 11450, 11450.5, 11454, 11454.5, 11477, 11477.02, 11486, and 11486.5, Welfare and Institutions Code; and the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, Section 115.

## 82-833 TIMED-OUT ADULTS

82-833

- .1 A timed-out adult is an adult who has been removed from the AU due to exceeding the 60-month CalWORKs time limit specified in MPP Section 42-301. See MPP Section 44-133.8 for treatment of income and needs of timed-out adults.

NOTE: Authority cited: Sections 10553, 10554, 11270, and 11369, Welfare and Institutions Code. Reference: 45 CFR 205.42(d)(2)(v)(A) and (B), as printed in Federal Register, Vol. 57, No. 198, Tuesday, October 13, 1992, page 46808, 45 CFR 205.52, 45 CFR 206.10(a)(5)(i), 45 CFR 232.12(d), 45 CFR 233.10(a)(1)(i), (a)(1)(i)(B), and (a)(3), 45 CFR 233.20(a)(1)(i), (a)(3)(ii)(C) and (F), and (a)(3)(ix), 45 CFR 233.50, 45 CFR 233.51, 45 CFR 233.90(c), (c)(1), and (c)(2)(iv), 45 CFR 233.100(a)(5)(ii), 45 CFR 233.106, 45 CFR 240.22, and 45 CFR 250.34(a) and (c), and (c)(2); and Sections 11008.13, 11104, 11157, 11201(b), 11203, 11251.3, 11263.5, 11268, 11270, 11315, 11320.6(e), 11327.5(c), 11406.5, 11450, 11454, 11454.5, 11477, 11477.02, 11486, and 11486.5, Welfare and Institutions Code; and the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996, Section 115.

## 82-836 FEDERAL AFDC PROGRAM FOR PREGNANT WOMEN

82-836

- .1 AU of One
 

An AU of one without an eligible child shall be established when a pregnant woman, regardless of age, meets all of the following conditions:
- .11 Verification
 

Medical verification of pregnancy is provided to the county, and
- .12 Eligibility
 

The pregnant woman and unborn child, if born and living with the mother, would be eligible for federal AFDC in the payment month, and
- .13 Duration of Pregnancy
 

The pregnancy has reached the three-month period before the month of anticipated birth (see State AFDC For Pregnant Women), and

<b>ELIGIBILITY AND ASSISTANCE STANDARDS</b>		
<b>82-836 (Cont.)</b>	<b>ASSISTANCE UNIT</b>	<b>Regulations</b>
<b>82-836</b>	<b>FEDERAL AFDC PROGRAM FOR PREGNANT WOMEN</b>	<b>82-836</b>
	(Continued)	
.14	No Other AU Eligibility	The pregnant woman could not be included in another AU.

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**HANDBOOK BEGINS HERE**

.15		See Section 42-762.7 regarding federal eligibility during the first and second trimesters for pregnant Cal-Learn participants with no other eligible children.
.2	Pregnancy Special Need	A pregnant woman may be eligible to receive a pregnancy special need payment.

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**HANDBOOK ENDS HERE**

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[Previous cite: 44-205.6]

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: 45 CFR 233.10(a)(1) and (a)(1)(iv), 45 CFR 233.90(c)(2)(iv), and 45 CFR 206.10(a)(1)(vii); and Section 11450(b), Welfare and Institutions Code.

<b>89-110</b>	<b>MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION</b>	<b>89-110</b>
	(Continued)	

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**HANDBOOK CONTINUES**

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**Example 9 – Nonexempt AU – Undocumented Immigrant Father**

The family consists of a mother, the mother's children, and the father, who is an undocumented immigrant. Eligibility is based on unemployment. The mother receives SDI. The father does not receive one of the benefits specified in Section 89-110.22 or meet any other exemption criterion. The CWD uses the Nonexempt MAP, as each parent must meet one of the criterion to receive an exemption even if they are not aided due to exclusion.

**Example 10 – Request for Review of AU Status by the AU**

The AU consists of two parents and their two children, with deprivation based on unemployment. The AU receives the Nonexempt MAP. In June, the father requests a review of the AU status, as he has been determined to be exempt from welfare-to-work participation due to disability as specified in Section 42-712.44. The wife's application for IHSS was denied and she does not meet any other criterion for an exemption. Since both the father and the mother must receive one of the benefits specified in Section 89-110.22 or meet one other criterion to receive an exemption, the CWD uses the Nonexempt MAP.

.32 Handbook Section 89-110.32(MR) shall become inoperative and Handbook Section 89-110.32(QR) shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Determining Financial Eligibility

(QR) Determining MAP Status for Applicants

Handbook Section 89-110.32(MR) Example 11 shall become inoperative and Handbook Section 89-110.32(QR) Example 11 shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Example 11 – Determining Status in the Month of Application

(MR) An initial application is made January 4 for an AU consisting of a father and two children. The father receives SSI/SSP at application. The SSI/SSP ends on February 28. Because eligibility is always determined concurrently, the CWD uses the Exempt MAP to determine financial eligibility for January and February and the Nonexempt MAP for March.

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**HANDBOOK CONTINUES**

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89-110	<b>MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION</b>	89-110
	(Continued)	

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**HANDBOOK CONTINUES**

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(QR) Example 11 – Determining MAP Status for Applicants

(QR) An initial application is made January 4 for an AU consisting of a father and two children. The applicant AU is placed in a January/February/March quarter. When applying for aid, the father was in receipt of SSI/SSP. The SSI/SSP ends on February 28. Since the MAP status is determined prospectively for the entire quarter based on the applicant's status at the time application is approved, the county uses the Exempt MAP to determine financial eligibility and cash aid for the entire quarter.

Handbook Section 89-110.32(MR) Examples 12 and 13 shall become inoperative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Example 12 – Determining Status for Recipients

(MR) The recipient began receiving SDI on January 5. The recipient reported the income timely and provides proof of the income. Based on these facts, the recipient's status changed to Exempt effective as of the month of February. Because eligibility is always determined concurrently, and assuming the recipient continues to receive SDI during these months, the CWD should use exempt MAP to determine financial eligibility for February, March, and following months until the recipient's status changes.

(MR) Example 13 – The AU Changes from Nonexempt to Exempt to Nonexempt MAP

(MR) An AU consists of a mother and her child. The mother begins receiving SDI on March 15 and the SDI ends on April 22. To determine financial eligibility, the CWD uses the Nonexempt MAP for March because the mother began receiving the SDI after the first of the month, Exempt MAP for April because she was eligible for the Exempt MAP on the first of the month, and Nonexempt MAP for May and all subsequent months because she did not receive SDI benefits in those months.

.33 Handbook Section 89-110.33(MR) shall become inoperative and Handbook Section 89-110.33(QR) shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Calculating the Grant

(QR) Determining MAP Status for Recipients

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**HANDBOOK CONTINUES**

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<b>89-110</b>	<b>MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION</b>	<b>89-110</b>
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**HANDBOOK CONTINUES**

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Handbook Section 89-110.33(MR) Example 14 shall become inoperative and Handbook Section 89-110.33(QR) Example 14 shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Example 14– Transition to Retrospective - Budgeting Continuous Status

(MR) Aid is effective July 12 for an AU consisting of a father and his child. The father reports that he is receiving TDI at application but it is expected to end on October 5; he is not expected to get any of the other benefits specified in Section 89-110.22. The CWD uses the exempt status for the prospectively budgeted months of July and August. The father confirms that his TDI ended in October. The exempt MAP status will be used for the corresponding budgeted months for November and December. The CWD will begin to use the nonexempt MAP for the January grant payment.

(QR) Example 14– Determining Status for Recipients

(QR) An existing AU is in an October/November/December quarter. On the November QR 7, the recipient reported the receipt of SDI in the Data Month. The county verifies the recipient's QR 7 information and uses the Exempt MAP status to determine financial eligibility and cash aid for the next QR Payment Quarter.

Handbook Section 89-110.33(MR) Example 15 shall become inoperative and Handbook Section 89-110.33(QR) Example 15 shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Example 15 – Late Discovery Due to Client's Failure to Timely Report

(MR) The AU consists of a parent and his child. The father starts receiving SDI in June but does not report the income to the CWD until November. The father provides verification of this income in November and requests review of his status. The first month of Exempt status is November, since MPP Section 89-110.271 provides that the status change shall not be effective for any months prior to a request for review when the status change results from a request for review. Because the AU is already in retrospective budgeting, the CWD provides the AU with the appropriate notice of action and begins to use the Exempt MAP for January, the payment month that corresponds to the budget month that reflects the father's new status.

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**HANDBOOK CONTINUES**

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89-110 (Cont.)	DEMONSTRATION PROJECTS APDP AND CWPDP	Regulations
89-110	<b>MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION</b> (Continued)	89-110

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### HANDBOOK CONTINUES

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(QR) Example 15 – Late Discovery Due to Client’s Failure to Timely Report

(QR) The AU consists of a parent and his child. The AU is in an April/ May/June quarter. The father starts receiving SDI in May but does not report the information on the QR 7. On July 2, the father voluntarily requests mid-quarter review of his status and provides the appropriate verification of his exempt status. The first month the Exempt MAP status is effective is August. Section 89-110.271 provides that the MAP status change shall not be effective for any months prior to a request for review when the status change results from a request for review and Section 89-110.292(QR) provides that increases to aid due to a recipient mid-quarter voluntary report are not effective until the first of the month following the report.

Handbook Section 89-110.33(MR) Example 16 shall become inoperative and Handbook Section 89-110.33(QR) Example 16 shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director’s QR/PB Declaration.

(MR) Example 16 – Late Discovery Due to Administrative Error

(MR) The AU consists of a parent and her child. The AU is in retrospective budgeting. The parent begins receiving TWC on May 6; she reports the income and provides verification on the Monthly Report for May. The CWD did not begin using the income or the appropriate Exempt MAP for the August payment month due to administrative error. In November, the CWD conducts an annual redetermination and discovers the error. At that time, the parent requests review of the AU status. The change in the AU’s status should have been known to the CWD based on the timely submitted monthly eligibility report (CW 7), rather than solely on the parent's request for review. The CWD acts to process the case based on the actual report of income and to recompute the grant for overpayment or underpayment purposes. The CWD provides the AU with the appropriate notice of action and begins to use the Exempt MAP for August, the payment month that corresponds to the budget month that reflects the status change.

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### HANDBOOK CONTINUES

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<b>89-110</b>	<b>MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION</b>	<b>89-110</b>
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**HANDBOOK CONTINUES**

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(QR) Example 16 – Late Discovery Due to Administrative Error

(QR) The AU consists of a mother and her child. The AU is in an April/May/June quarter. The mother's SDI benefits end on May 11 and the mother no longer qualifies for the Exempt MAP status. The AU reports the information correctly on their May QR 7 due in June. However, the county incorrectly processes the QR 7 and continues to use the Exempt MAP status for the July/August/September quarter. In July, the county discovers the error. Since the effective date of the MAP status change for the QR Payment Quarter was July 1, the county shall take mid-quarter action to correct the error. The county shall recompute eligibility and cash aid for the entire QR Payment Quarter using the nonexempt status. The county shall recompute aid for the remaining months of the quarter and shall make an overpayment or underpayment determination for the month of July.

Handbook Section 89-110.33(MR) Example 17 shall become inoperative and Handbook Section 89-110.33(QR) Example 17 shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Example 17 – Initial Application – Prospective Budgeting – Change to Exempt

(MR) An initial application is made June 10 for an AU consisting of a parent and his child. June and July are the AU's prospectively budgeted months. On June 14 the parent begins receiving TWC. The applicant reports timely and provides proof of the income to the CWD. The CWD provides the AU with the appropriate notice of action and shall use the Exempt MAP for the June payment month.

(QR) Example 17 – Mid-Quarter Status Review Request

(QR) An existing AU, a father and his child, is in an April/May/June quarter. Eligibility and cash aid for this quarter has been determined using the February QR 7 information. On May 15, the recipient voluntarily reports mid-quarter that they began receiving SDI in lieu of their full time job on May 7. The recipient provides the necessary verification within 10 days of the report. The county determines that this voluntary mid-quarter report will increase cash aid (see Section 44-316.31(QR)). The county changes the recipient's MAP status for the AU from Nonexempt MAP to Exempt MAP beginning in June and will continue to use the status until the AU reports a status change on either the QR 7 or a mid-quarter report.

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**HANDBOOK CONTINUES**

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<b>89-110</b>	<b>MAXIMUM AID PAYMENT (MAP) LEVEL AND MAP RESTRICTION</b>	<b>89-110</b>
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**HANDBOOK CONTINUES**

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Handbook Section 89-110.33(MR) Example 18 shall become inoperative and Handbook Section 89-110.33(QR) Example 18 shall become operative in a county on the date that QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Example 18 – Determining the Month of Change when The Family Is In Retrospective Budgeting

(MR) A family with a nonneedy caretaker relative gets Exempt MAP. The father joins the AU in mid-November. He does not receive one of the benefits specified in Section 89-110.22 or meet any other criterion to receive an exemption. The AU is in retrospective budgeting. The AU's Exempt status ends on November 30. However, since the father joined the AU in November, after the first of the month, the AU is entitled to the Exempt MAP for December and January, based on the AU's Exempt status for the budget months of October and November. The CWD will use the Nonexempt MAP for February, the payment month that corresponds to the budget month that reflects the status change (December). Except as specified in Section 89-110.283(MR) [regarding beginning date of aid and prospective budgeting], when the AU status changes between Exempt and Nonexempt, the CWD shall change the MAP effective for the payment that corresponds to the budget month that reflects the status change

(QR) Example 18 – Mid-Quarter Voluntary Report to Add a Person

(QR) An AU of one, a pregnant woman only case, is in an October/November/December quarter. The AU has been receiving aid based on exempt MAP status in accordance with Section 89-110.213. On November 5, the mother voluntarily reports the birth of the child and requests aid for the child. When determining the eligibility to add the child December 1, the county determines that the potentially "new AU" (the existing AU and the added person) does not meet exempt MAP status. The county uses the Nonexempt MAP status to determine if the child is CalWORKs eligible and if the newborn's addition into the existing AU increases the grant. If the newborn increases cash aid for the existing AU, the Nonexempt MAP status shall be effective December 1 and will continue until a change in status is reported on either a QR 7 or a mid-quarter report.

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**HANDBOOK CONTINUES**

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